

1914

Voter Information Guide for 1914, General Election

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CALIFORNIA STATE ARCHIVES
SECRETARY OF STATE

Amendments to Constitution

and

Proposed Statutes

with

Arguments Respecting the Same

To be Submitted to the Electors of the State of California at the
General Election on

TUESDAY, NOVEMBER 3, 1914

Index, Certificate and Form of Ballot will be found in last pages
Proposed changes in language are printed in black face
Provisions to be repealed are printed in italics

CERTIFIED BY THE SECRETARY OF STATE
AND PRINTED AT THE STATE
PRINTING OFFICE
1914

EXTRA SESSIONS OF DISTRICT COURTS OF APPEAL.

Assembly Constitutional Amendment 32 adding section 4a to article VI of constitution.

Authorizes governor to call extra sessions of district courts of appeal; requires such call when requested by chief justice of supreme court or presiding justice of district court of appeal; provides that governor, chief justice and presiding justice shall each select one of the three judges such sessions from judges of any district court of appeal or superior court who shall serve without further compensation; provides for assignment of causes thereto, jurisdiction thereof, and termination of such sessions.

Assembly Constitutional Amendment No. 32—A resolution to propose to the people of the State of California, an amendment to the constitution amending article VI thereof, by inserting therein a new section to be known as section 4a, providing for the holding of extra sessions of the district courts of appeal, and the selection, designation and appointment of members of any court of appeal or judges of any superior court, to act pro tempore as justices of said district courts of appeal to hold such extra sessions thereof.

The legislature of the State of California, at this fortieth session, commencing on the 6th day of January, 1913, two thirds of all of the members elected to each of the houses of said legislature voting in favor thereof, hereby propose that article VI of the Constitution of the State of California be amended by adding thereto a new section, to be known as section 4a, which section shall read as follows:

PROPOSED LAW.

Section 4a. The governor of the State of California may, and at the request of the chief justice of the supreme court of the State of California shall direct that an extra session or extra sessions of the district court of appeal of any district be held, and upon the request of the presiding justice of the district court of appeal of any district, shall direct that an extra session of such court be held. Each extra session of such court of appeal of any district shall be held by three judges who may be justices of the court of appeal of other districts of the State of California, or judges of any superior court within the state, one of whom shall be selected by the governor of the State of California, another by the chief justice of the supreme court of the State of California, and the other by the presiding judge of the court of appeals of the particular district in which the extra session is, or extra sessions are to be held. Said justices and judges so selected shall be justices pro tempore of said courts of appeal for the purpose of holding such extra session or sessions of said court. More than one extra session of the court of appeal of any particular district may be held at one time; provided, that each session shall be held by three justices pro tempore consisting of justices of the district courts of appeal of other districts, or judges of the superior court, selected as hereinabove set forth. During any extra session of the district courts of appeal, the presiding justice of the district court of appeal of such district may sit during such extra session with the said justices pro tempore holding such extra session, or he may designate one of the said justices pro tempore so holding said session, to act during such extra session as presiding justice thereof; provided, however, that whenever the presiding justice of the district court of appeal of such district shall so sit during such extra session with said other justices pro tempore holding such extra session, the concurrence of the three justices pro tempore holding such session, or of two of said justices and such presiding justice of the district court of appeal of such district, shall be sufficient to pronounce a judgment of said district courts of appeal of said district in any of the appeals, actions, proceedings or matters heard by, or submitted to such extra session of said court or the justices thereof. The presiding

justice of the court of appeal of the district in which any such extra session is being held or to be held shall have power to assign causes and appeals pending in said court to such extra session, for consideration and decision. Said extra session of said district court of appeal and the said justices pro tempore holding the same, shall have jurisdiction to determine all causes, appeals, proceedings and matters that shall be so assigned to them for consideration and decision during such extra session, with like force and effect as though such causes, appeals, proceedings and matters had been heard by, submitted to and determined by the duly elected, qualified and acting justices of said district court of appeal of the district in which such extra session is, or extra sessions are being held, or by such court. No justices pro tempore of the court of appeal of any district shall be qualified to participate upon the hearing of any cause in which, or in any proceeding in which he has acted as judge in any other court. No justices pro tempore of any court of appeal of any district shall receive any compensation for acting as such, other than that attached to the office which he holds at the time of his selection as such justice pro tempore, but shall be entitled to his actual expenses. Whenever any justice pro tempore of the supreme court is for any reason disqualified or unable to act in a cause pending before it, or any extra session thereof, the governor or justice by whom he has been selected shall forthwith select some other justice of the district court of appeal or judge of the superior court to act in his place. At any time after the causes and matters which shall have been assigned to such extra session of any district court of appeal or the justices pro tempore thereof, shall have been finally determined, the supreme court of the State of California, by an order entered upon its minutes, may terminate such extra session or extra sessions.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 32.

The proposed amendment does not in any respect change or modify any of the existing constitutional provisions, but merely supplements those relating to the supreme court and district courts of appeal by conferring upon them such additional authority as will enable them, only, however, when the exigencies of the situation require, and then at practically no expense, to speedily dispose of pending litigation, to the incalculable benefit of the litigant.

The great length of time intervening between the commencement of an action and its final termination by the supreme court, without any fault on its part, has caused frequent complaint and brought about severe criticism of the judicial system. In many cases this delay has worked great hardship upon the parties, and oftentimes results in a miscarriage of justice. This is particularly true of the litigant whose entire substance is involved in the litigation.

As the state becomes more populous litigation increases. While the creation of additional trial judges permits this litigation to be rapidly disposed of in the lower court, it increases the burdens of the appellate courts without providing any remedy for their relief.

If this constitutional amendment is adopted a method will be devised, practically without expense to the state, by which the increased number of appeals will be rapidly taken care of and fully concluded with little delay.

The supreme court has the right, which it frequently exercises, to transfer appeals pending before it, to the district courts of appeal. If extra sessions of the district courts of appeal are held, the supreme court can transfer to such district courts of appeal much of the litigation then pending before it, so that when one or two extra sessions are held, no valid reason will exist why all pending litigation in the supreme court, not actually under submission at the time such extra sessions are held can not be readily disposed of so that at the termination of such extra sessions a case will appear for argument upon the next calendar called by it, after the filing of the transcript on appeal. When this is accomplished, no further necessity will exist for the holding of any extra session of the district courts of appeal until either court gets behind in its work.

The determination of litigation by an extra session of the court of appeal does not deprive the litigant of having such appeal finally passed upon by the supreme court, because, as we all know, the litigant is entitled to apply to the supreme court for a rehearing, which rehearing will of course be granted in the event the decision of the court of appeal is incorrect.

JAMES J. RYAN,
Assemblyman Twenty-third District.

ARGUMENT AGAINST ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 32.

The reasons why Assembly Constitutional Amendment No. 32 should not be adopted are briefly enumerated as follows:

First—The principal objection to this amendment is that it is not needed. Investigation of the records of the courts of appeal, for the past ten years, shows that the calendars are cleared regularly in remarkably short time, and that there is absolutely no congestion in these courts. Inquiry made of those justices of the courts of appeal who are available to the writer indicated that the justices themselves do not consider extra sessions at all necessary.

Second—The extra sessions provided for by this amendment would necessarily have to be pre-

sided over by judges called from the superior courts, which courts, at the present time in most counties, are already congested and need the attention of all their judges. Justices of courts of appeal of one district would not be called to preside in extra sessions in another district, because where congestion exists in one district now, sufficient cases are transferred to an uncongested district to relieve the situation. If there is sufficient regular business to justify any considerable number of extra sessions, a new district should be provided instead.

Third—The method provided for calling these extra sessions is unsafe and ill-advised. Any one of five officials can compel the holding of an extra session, while the supreme court, only, has power to adjourn it.

Fourth—It is questionable whether a judge of the superior court could act as such, and at the same time sit in extra session as justice of the courts of appeal. It is practically certain he could not sit in trial and also sit upon appeal in the same case, particularly in cases where motions for new trial had been denied in the lower court, and came up before the same judge for hearing on appeal. Another question would arise as to the power of the regularly elected justices of a district court of appeal to grant or deny a rehearing of a case decided in extra session, for the amendment states that the decisions of extra sessions shall have "like force and effect as though such causes . . . had been . . . determined by the duly elected . . . justices."

Fifth—This amendment would have the effect of creating further congestion in the superior courts, and would not be of material relief to the supreme court. A readjustment of the classes of cases that should properly come up on appeal in the supreme court, or in the courts of appeal, would relieve the congestion in the supreme court without creating congestion in the superior courts.

Sixth—The language of this particular amendment is very confusing in parts, particularly its reference to justices pro tempore, of the "Supreme Court," when the context clearly indicates that it means "Court of Appeal," and also where the word "section" is used in one place, but evidently intended the word "session."

For the above mentioned reasons, the writer believes this amendment should be defeated.

H. STANLEY BARNHART,
Assemblyman Sixty-third District.

MISCARRIAGE OF JUSTICE.

Senate Constitutional Amendment 12 amending section 4½ of article VI of constitution.

Omits from present section word "criminal," thereby providing that no judgment shall be set aside or new trial granted in any case, civil or criminal, for misdirection of jury or improper admission or rejection of evidence, or for any error as to any matter of pleading or procedure, unless after examination of entire cause, including the evidence, court is of opinion that error complained of resulted in miscarriage of justice.

Senate Constitutional Amendment No. 12, a resolution to propose to the people of the State of California an amendment to the constitution of said state, by amending section four and one half of article six thereof, relating to appeals.

The legislature of the State of California, at its regular session commencing on the sixth day of January, in the year one thousand nine hundred thirteen, two thirds of all the members elected to each of the two houses of said legislature voting in favor thereof, hereby proposes an amendment to the Constitution of the State of California, by amending section four and one half of article six thereof, to read as follows:

PROPOSED LAW.

Section 4½. No judgment shall be set aside, or new trial granted, in any case, on the ground of misdirection of the jury, or of the improper admission or rejection of evidence, or for any error

as to any matter of pleading, or for any error as to any matter of procedure, unless, after an examination of the entire cause, including the evidence, the court shall be of the opinion that the error complained of has resulted in a miscarriage of justice.

Section 4½, article VI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 4½. No judgment shall be set aside, or new trial granted in any criminal case on the ground of misdirection of the jury or the improper admission or rejection of evidence, or for error as to any matter of pleading or procedure, unless, after an examination of the entire cause including the evidence, the court shall be of the opinion that the error complained of has resulted in a miscarriage of justice.

ARGUMENTS IN FAVOR OF SENATE CONSTITUTIONAL AMENDMENT NO. 12.

The decisions of the supreme court of California abound with instances where verdicts of juries and judgments of the lower courts have been reversed for failure to comply with trivial and technical requirements that in no way affect the merits of the action. As a result of such reversals, which usually occur from three to five years after the commencement of the action, the courts are compelled to take up a further three or five or more years of their time in going over the same controversy, often with a practical miscarriage and denial of justice to one of the parties to the action and always to the inconvenience of other litigants. The purpose of Senate Constitutional Amendment No. 12 is to help overcome these unnecessary delays, put an end to such interminable litigation, if possible, and to change the trial of cases from a test of the craftiness, ability and skill of opposing attorneys into an honest endeavor to mete out justice as between the parties. This rule has heretofore been adopted in criminal cases and has been satisfactory. As property is less valuable than life or liberty it should be equally satisfactory in civil cases.

WILLIAM KEHOE,
State Senator First District.

Senate Constitutional Amendment No. 12 is designed to prevent the reversal of civil cases by courts of appeal on purely technical grounds.

In 1911 the writer had the privilege of introducing in the legislature an amendment to the constitution, which provided that in all criminal cases, no judgment should be reversed, on appeal, except when such judgment would result in a substantial miscarriage of justice. This amendment was unanimously adopted by both houses of the legislature, was overwhelmingly ratified by the people, and is now known as section 4½ of article VI of the state constitution. The present proposed amendment seeks to extend the same provision to civil cases. It, likewise, was adopted by the unanimous vote of both the senate and assembly.

The purpose of our judicial system is to try cases on their merits. Often this purpose, however, is thwarted by having decisions of the lower courts reversed because certain rules of procedure were broken. In scores of cases appellate judges have reluctantly set aside meritorious decisions on no other ground than that during a long and heated trial, counsel for the

successful party committed some technical breach of legal procedure. As Professor Roscoe Pound of Harvard has said: "Our appellate courts do not try the case; they only try the record; they only decide whether all the outworn subordinate rules of the game were carefully followed."

Former President Taft, in speaking of the excessive and unnecessary delay in legal procedure, declared: "There is no subject upon which I feel so deeply as upon the necessity for reform in the administration of both civil and criminal law." As an example of such delay in California it has been shown that for all the cases reported in Vol. 145 of the California Reports, an average of 1003 days, or almost three years, elapsed between the filing of an appeal and the final judgment, while the average time for the completion of a case through all the courts was 2175 days, or almost six years. Much of this delay is occasioned by the number of cases appealed on purely technical grounds. In England, where new trials are not granted on such grounds, the court of appeals, acting for 32,000,000 people, grants only about twelve new trials per year. In contrast to this, in one county alone in the United States, with a population of less than 100,000 there were 38 appeals in one year, of which 17 were reversed for technical errors, which did not go to the merits of the case.

The adoption of the proposed amendment will clothe the appellate courts with power to review all points involved in a case—the facts as well as the law. If the decision of the lower court is found to be substantially correct, that judgment will be affirmed. The incentive for getting error into the record for the sole purpose of securing an appeal being removed, few cases will be appealed and litigants will be saved both delays and expense. It will invest the appellate courts with power to sustain a verdict rendered by a jury when such verdict is in accordance with the facts, even though it violates some archaic rule of procedure that under existing law would require a reversal of the decision.

Since 1911, when the application of this principle to criminal cases was adopted, the appellate courts have repeatedly referred to the increased power granted them to disregard errors not affecting the merits of a case, and by the extension of these powers to civil cases, the machinery of our courts will be materially simplified and substantial justice done to litigants.

A. E. BOYNTON,
State Senator Sixth District.

PLACE OF PAYMENT OF BONDS AND INTEREST.

Senate Constitutional Amendment 13 amending section 13½ of article XI of constitution.

Authorizes any county, municipality, irrigation district or other public corporation, issuing bonds under the laws of the state, to make same and interest thereon payable at any place or places within or outside of United States, and in domestic or foreign money, designated therein.

Senate Constitutional Amendment No. 13, a resolution proposing to the people of the State of California an amendment to section thirteen and one half of article eleven of the Constitution of the State of California, relating to the place of payment of bonds, and the interest thereon, of counties, cities and counties, cities, municipalities, irrigation districts, and other public corporations, and to the money in which such bonds and interest may be made payable.

The legislature of the State of California, at its regular session, commencing on the 6th day of January, in the year one thousand nine hundred and thirteen, two thirds of all the members elected to each of the two houses of said legislature voting thereon, hereby proposes to the qualified electors of the State of California that section thirteen and one half of article eleven of said constitution be amended so as to read as follows:

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PROPOSED LAW.

Section 13½. Any county, city and county, city, town, municipality, irrigation district, or other public corporation, issuing bonds under the laws of the state, is hereby authorized and empowered to make said bonds and the interest thereon payable at any place or places within or outside of the United States, and in any money, domestic or foreign, designated in said bonds.

Section 13½, article XI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 13½. Nothing in this constitution contained shall be construed as prohibiting the state or any county, city and county, city, town, municipality, or other public corporation, issuing bonds under the laws of the state, to make said bonds payable at any place within the United States designated in said bonds.

EXEMPTING EDUCATIONAL INSTITUTIONS FROM TAXATION.

Senate Constitutional Amendment 15 adding section 1a to article XIII of constitution.

Exempts from taxation buildings, grounds within which same are located not exceeding one hundred acres, equipment, securities and income used exclusively for educational purposes, of any educational institution of collegiate grade within this state not conducted for profit.

Senate Constitutional Amendment No. 15, a resolution to propose to the people of the State of California an amendment to the Constitution of the State of California by adding a new section to said constitution to be numbered section one a of article thirteen thereof, relating to exempting certain property of educational institutions of collegiate grade from taxation.

The legislature of the State of California at its regular session, commencing on the sixth day of January in the year nineteen hundred thirteen, two thirds of all the members elected to each of the two houses of the said legislature voting in favor thereof, hereby proposes to the qualified electors of the State of California, the following amendment to the Constitution of the State of California, by adding a new section thereto to be numbered one a of article thirteen thereof, to read as follows:

PROPOSED LAW.

Section 1a. Any educational institution of collegiate grade, within the State of California, not conducted for profit, shall hold exempt from taxation its buildings and equipment, its grounds within which its buildings are located, not exceeding one hundred acres in area, its securities and income used exclusively for the purposes of education.

ARGUMENT IN FAVOR OF SENATE CONSTITUTIONAL AMENDMENT NO. 15.

First—Every state in the union, except California, exempts college property from taxation. California should not be the only state to discourage the investment of private capital in higher education. In all other states the income from benefactions to colleges may be used wholly for the purpose for which such benefactions are made; here it must be in part diverted to such objects as road building and the lighting of streets. Thus California suffers a distinct disadvantage with patrons of education, such as the great philanthropic boards of the East. The state should assure outsiders desiring to make gifts for education in California that every dollar will be used for the purpose intended.

Second—The various colleges of the state are performing a service of the highest importance, at a cost far in excess of the amount derived from tuition. The state should not add the burden of taxation to their other expenses, which are met by endowment and by private gifts.

Third—California has already by special constitutional amendments exempted some schools from the taxation of their educational "plants," such as Stanford University, and Cogswell Polytechnical College in San Francisco. The proposed amendment will abolish discrimination, treating all colleges alike.

Fourth—The proposed amendment will not take a dollar from the state treasury itself, since the state revenues are no longer derived from the general property tax. This amendment merely enables the localities where colleges are situated, and which therefore receive the chief benefit from them, to exempt them from taxation.

Fifth—The total cost of this proposed policy is insignificant. The taxes paid in 1912-1913 by all the institutions known to be affected by this amendment amounted to only \$29,976, a sum wholly inconsiderable from the standpoint of county and city government, but imposing a heavy burden on the slim financial resources of the colleges.

Sixth—The amendment as drawn is carefully safeguarded against possible abuse by the following limitations:

(a) It exempts only institutions of collegiate grade.

(b) Such institutions can not be conducted for profit. Any institution receiving an income from students in excess of its expenses would be excluded from exemption.

(c) The exempt property is limited to buildings, equipment, and grounds, with securities and income, "used exclusively for the purposes of education." Real estate held for investment or revenue will be taxed just as at present, only the educational "plant" actually in use being exempt from taxation.

(d) The land which a college will hold exempt as constituting its "campus" is limited to 100 acres, thus preventing the abuse of the law by an institution holding large areas ostensibly as "campus" but actually for investment and profit.

Seventh—So thoroughly convinced were the lawmakers that this amendment is right and fair that it passed the last legislature with but one dissenting vote in either chamber.

A. E. CAMPBELL,
State Senator Seventeenth District.

LEE C. GATES,
State Senator Thirty-fourth District.

EXEMPTING VESSELS FROM TAXATION.

Senate Constitutional Amendment 17 adding section 4 to article XIII of constitution.

Exempts from taxation until and including January 1, 1935, except for state purposes, all vessels over 50 tons burden, registered at any port in this state and engaged in transportation of freight or passengers.

Senate Constitutional Amendment No. 17, a resolution proposing to the people of the State of California, an amendment to the Constitution of the State of California, by adding a new section to article XIII thereof, to be designated as section four of said article XIII of the Constitution of the State of California, relating to the exemption of vessels engaged in commerce from taxation.

Resolved by the senate, the assembly concurring, That the legislature of the State of California, at its regular session, commencing on the sixth day of January, nineteen hundred thirteen, two thirds of all the members elected to each of

the houses of said legislature voting in favor thereof, hereby proposes to the electors of the State of California, that a new section be added to article XIII of the Constitution of the State of California, to be known and designated as section four of article XIII of the Constitution of the State of California, and to read as follows:

PROPOSED LAW.

Section 4. All vessels of more than fifty tons burden registered at any port in this state and engaged in the transportation of freight or passengers, shall be exempt from taxation except for

state purposes, until and including the first day of January, nineteen hundred thirty-five.

ARGUMENT IN FAVOR OF SENATE CONSTITUTIONAL AMENDMENT NO. 17.

Considering the many handicaps under which American shipping is now laboring, and considering also the unjust discrimination now existing under our revenue laws against any owner of a vessel loyal enough to register said vessel at some port in California, this amendment should have the hearty co-operation of all California citizens.

Under the now existing revenue laws, any vessel registered from a port outside of California is exempt from taxation in this state; but if the owner of any vessel, either an individual or corporation, is patriotic enough to register said vessel from a California port, along comes the assessor and taxes him for his loyalty.

This matter of exempting shipping from taxation is not a new nor an untried measure. The great State of New York has already exempted vessels from taxation for a period of 20 years, and the State of Washington now has a revenue law exempting all vessels registered from Washington ports from taxation. This Washington law goes even further in this matter, and exempts from taxation vessels under construction and all materials used therein while said vessel is in process of building.

The amount of revenue which might be lost by

the adoption of this amendment is very nominal, and should not be considered in the comparison with the great and immense benefit which will accrue to this state in the way of advertisement by having all vessels registered from California ports with the name of "San Francisco," "Los Angeles," "Oakland," "San Diego," "Eureka," etc., painted on the stern of the vessel.

Foreign vessels, while they now pay no taxes, are entitled to and receive equal benefits to all domestic vessels, in the matter of police protection, fire protection, and also in respect to federal, state and county fees, for pilotage, dockage, etc.

Outside of the matter of advertising, it is advisable to have all vessels plying along the Pacific Coast registered from some port in California. It is impossible to estimate the indirect benefit this state will derive in the matter of rentals, purchases of supplies and similar items.

By the adoption of this amendment, many vessels which are now registered from New York, Seattle and other ports foreign to California, will, as a matter of convenience, return and register from California.

The experiment is certainly worth the trial, for after twenty years, the law, if unsatisfactory, automatically repeals itself. If this amendment is passed, it will be a great stimulus in the upbuilding of our harbors and river ports as well as the expansion of a large local merchant marine.

THOS. F. FINN,

State Senator Twenty-third District.

CONDEMNATION FOR PUBLIC PURPOSES.

Senate Constitutional Amendment 16 adding section 20 to article XI of constitution.

Authorizes state, county or municipality to condemn neighboring property within its limits additional to that actually intended for proposed improvement; declares same taken for public use; defines estate therein and manner of dealing therewith to further such improvement; permits county or municipality to condemn lands within ten miles beyond its boundaries for certain public purposes, with consent of other county or municipality if such lands lie therein; requires terms of condemnation, lease or disposal of such additional property to be prescribed by law.

Senate Constitutional Amendment No. 16, a resolution proposing to the people of the State of California, an amendment to the Constitution of the State of California, by adding a new section to article XI thereof, to be designated as section twenty, of said article XI, of the Constitution of the State of California, relating to the taking of property for public use and additional property in excess thereof, and for the payment therefor.

Resolved by the senate, the assembly concurring, That the legislature of the State of California, at its regular session, commencing on the sixth day of January, nineteen hundred thirteen, two thirds of all the members elected to each of the houses of said legislature voting in favor thereof, hereby proposes to the qualified electors of the State of California, that a new section be added to article XI of the Constitution of the State of California, to be known and designated as section twenty of article XI of the Constitution of the State of California, and to read as follows:

PROPOSED LAW.

Section 20. The state, or any county, city and county, or incorporated city or town, taking or appropriating property within the limits thereof for public use for any proposed public improvement, may also take and appropriate, under the powers of eminent domain, additional adjoining or neighboring property within the limits thereof, in excess of that actually to be devoted to or occupied by the proposed improvement, and such additional property so taken shall be deemed to be taken for public use. The estate in such additional property so taken shall be a fee simple

estate, and such additional property may be sold, leased or otherwise disposed of, in whole or in part, under such terms and restrictions as may be appropriate to preserve or further the improvement made or proposed to be made. For the purpose of acquiring, constructing, enlarging or improving a public park, playground, boulevard, street, building or grounds therefor, any county, city and county, incorporated city or town may condemn lands outside of its boundaries and within the distance of ten miles therefrom, provided that no lands within any other county, city and county, incorporated city or town shall be taken without its consent, to be given in any manner that may be provided by law. The conditions under which such additional property may be taken or appropriated, the manner and method of providing payment therefor and the terms and restrictions under which such property may be sold, leased or otherwise disposed of, shall be prescribed by general law.

ARGUMENT IN FAVOR OF SENATE CONSTITUTIONAL AMENDMENT NO. 16.

This amendment proposes a new section to the constitution, giving the state, county and city the right to take for public purposes not only such property as may be necessary for immediate and present need, but also such as may be required for future use. Under the law as it stands to-day only such property can be taken as is required for present use, but not such as may be needed for future use.

The amendment is designed to enable the state, county or city to plan and carry out public improvements on a comprehensive scale. In the

establishing and laying out of public improvements and public institutions, far-sightedness demands the planning on broad enough a scale to permit of expansion and additions in the future. The need may not exist at the time property is first obtained for public use, but future growth often requires additional land. A state university when first established does not have all the departments, nor need the various buildings, that are later required. An asylum or industrial institution when first founded, and with a small number of inmates, does not need the land for buildings or for agricultural or dairy purposes that is needed later on when the institution becomes much larger. A city may plan a civic center on a far-reaching scale, with use at the present time for only a few buildings, intending in the future, as the need arises, and as the expenses can be met, to add libraries, art galleries, athletic fields, and other extensions.

At the present time, the state, or county or city, in taking property can not take such as may be required for future use. The public not being able to procure adjacent and surrounding property for future needs, this adjacent property is bought by private individuals. In many instances it is taken up by speculators in the anticipation of a demand for it in the future for public purposes. When the need for it in the future does come, the additions and extensions to public institutions have to be made elsewhere, in remote and inconvenient places, or the public required to pay unreasonable and exorbitant prices.

Much of the increased value of the adjoining property arises from the very fact that the state, the county or the city has taken over the original property for public purposes, and erected public buildings on it. The instant that the state, or county or city, erects its buildings, the adjacent and surrounding property is enhanced in value, which very increase in value that it has produced the public has to pay for, if later it buys this adjoining and surrounding property. Under this amendment, the public is enabled to retain this increased value or increment itself, and is not compelled to pay for the value that it itself has caused to accrue.

Both to save the public from this additional cost, and to prevent the state, or county, or city from having its plans frustrated and defeated by its inability to obtain adjoining and surrounding property for future development and expansion of its parks, playgrounds and public institutions, this amendment is designed.

Now that the function of government is coming to be recognized in providing for the welfare of its citizens in the broadest sense—their recreation and health, as well as their education and protection—this duty dictates the adoption of this amendment whereby far-sighted and comprehensive provision can be made in the way of public improvements, that shall be adequate for the future as well as the immediate present.

HERBERT C. JONES,

State Senator Twenty-eighth District.

EXPOSITION CONTRIBUTION BY ALAMEDA COUNTY.

Senate Constitutional Amendment 34 amending section 18 of article XI of constitution.

Present section unchanged but proviso added authorizing Alameda county, at election therefor, to incur bonded indebtedness not exceeding \$1,000,000, bearing interest not exceeding five per cent, bonds redeemable within forty years and salable at not less than par, proceeds payable on terms fixed by supervisors to Panama-Pacific International Exposition Company for exposition in San Francisco; authorizing special tax upon all taxable property in Alameda county to pay interest and create sinking fund for payment of said bonds.

Senate Constitutional Amendment No. 34, a resolution to propose to the people of the State of California, an amendment to the Constitution of the State of California, by amending section eighteen of article eleven thereof relating to restrictions on the power of counties, cities and other subdivisions of the state to incur indebtedness.

The legislature of the State of California, at its regular session, commencing on the sixth day of January, 1913, two thirds of all of the members elected to each of the houses voting in favor thereof, hereby proposes to the qualified electors of the State of California an amendment to the Constitution of the State of California, by amending section eighteen of article eleven thereof.

Section 1. Section eighteen of article eleven is hereby amended to read as follows:

PROPOSED LAW.

Section 18. No county, city, town, township, board of education, or school district, shall incur any indebtedness or liability in any manner or for any purpose exceeding in any year the income and revenue provided for such year, without the assent of two thirds of the qualified electors thereof, voting at an election to be held for that purpose, nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and also provision to constitute a sinking fund for the payment of the principal thereof on or before maturity, which shall not exceed

forty years from the time of contracting the same; provided, however, that the city and county of San Francisco may at any time pay the unpaid claims, with interest thereon at the rate of five per cent per annum, for materials furnished to and work done for said city and county during the forty-first, forty-second, forty-third, forty-fourth, and fiftieth fiscal years, and for unpaid teachers' salaries for the fiftieth fiscal year, out of the income and revenue of any succeeding year or years, the amount to be paid in full of said claims not to exceed in the aggregate the sum of five hundred thousand dollars, and that no statute of limitations shall apply in any manner to these claims; and provided, further, that the city of Vallejo, of Solano county, may pay its existing indebtedness, incurred in the construction of its waterworks, whenever two thirds of the electors thereof, voting at an election held for that purpose, shall so decide, and that no statute of limitations shall apply in any manner. Any indebtedness or liability incurred contrary to this provision, with the exceptions hereinbefore recited, shall be void. The city and county of San Francisco, the city of San Jose, and the town of Santa Clara may make provision for a sinking fund, to pay the principal of any indebtedness incurred, or to be hereafter incurred by it, to commence at a time after the incurring of such indebtedness of no more than a period of one fourth of the time of maturity of such indebtedness, which shall not exceed seventy-five years from the time of contracting the same. Any indebtedness incurred contrary to any provision of

this section shall be void; and provided, further, that the county of Alameda may, upon the assent of two thirds of the qualified electors thereof voting at an election to be held for that purpose, incur a bonded indebtedness of not to exceed one million dollars, and the legislative authority of said county of Alameda shall issue bonds therefor and grant and turn over to the Panama-Pacific International Exposition Company, a corporation organized under the laws of the State of California, March 22, 1910, the proceeds of said bonds for stock in said company or under such other terms and conditions as said legislative authority may determine, the same to be used and disbursed by said exposition company for the purposes of an exposition to be held in the city and county of San Francisco to celebrate the completion of the Panama canal; said bonds, so issued, to be of such form and to be redeemable, registered and converted in such manner and amounts, and at such times not later than forty years from the date of their issue as the legislative authority of said county of Alameda shall determine; the interest on said bonds not to exceed five per centum per annum, and said bonds to be exempt from all taxes for state, county and municipal purposes, and to be sold for not less than par at such times and places, and in such manner, as shall be determined by said legislative authority; the proceeds of said bonds, when sold, to be payable immediately upon such terms or conditions as said legislative body may determine, to the treasurer of said Panama-Pacific International Exposition Company, upon demands of said treasurer of said exposition company, without the necessity of the approval of such demands by other authority, than said legislative authority of Alameda county, the same to be used and disbursed by said Panama-Pacific International Exposition Company for the purposes of such exposition, under the direction and control of said exposition company; and, the legislative authority of said county of Alameda is hereby empowered and directed to levy a special tax on all taxable property in said county each year after the issue of said bonds to raise an amount to pay the interest on said bonds as the same become due, and to create a sinking fund to pay the principal thereof when the same shall become due.

Section 18, article XI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 18. No county, city, town, township, board of education, or school districts, shall incur any indebtedness or liability in any manner or for any purpose exceeding in any year the income and revenue provided for such year, without the assent of two thirds of the qualified electors thereof, voting at an election to be held for that purpose, nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and also provision to constitute a sinking fund for the payment of the principal thereof on or before maturity, which shall not exceed forty years from the time of contracting the same; provided, however, that the city and county of San Francisco may at any time pay the unpaid claims, with interest thereon at the rate of five per cent per annum, for materials furnished to and work done for said city and county during the forty-first, forty-second, forty-third, forty-fourth, and fiftieth fiscal years, and for unpaid teachers' salaries for the fiftieth fiscal year, out of the income and revenue of any succeeding year or years, the amount to be paid in full of said claims not to exceed in the aggregate

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the sum of five hundred thousand dollars, and that no statute of limitations shall apply in any manner to these claims; and provided, further, that the city of Vallejo, of Solano county, may pay its existing indebtedness incurred in the construction of its waterworks whenever two thirds of the electors thereof voting at an election held for that purpose shall so decide, and that no statute of limitations shall apply in any manner. Any indebtedness or liability incurred contrary to this provision, with the exceptions hereinbefore recited, shall be void.

The city and county of San Francisco, the city of San Jose and the town of Santa Clara may make provision for a sinking fund, to pay the principal of any indebtedness incurred, or to be hereafter incurred, by it, to commence at a time after the incurring of such indebtedness of not more than a period of one fourth of the time of maturity of such indebtedness, which shall not exceed seventy-five years from the time of contracting the same. Any indebtedness incurred contrary to any provision of this section shall be void.

ARGUMENTS IN FAVOR OF SENATE CONSTITUTIONAL AMENDMENT NO. 34.

The new portion of this amendment is that part of it which refers to Alameda county, and is designed to allow Alameda county, and that county only, to call an election within that county, and submit to its voters the question whether Alameda county should levy a tax, not to exceed one million dollars, and invest the funds so derived in the Panama-Pacific International Exposition.

This is in accordance with the pledges made prominent Alameda county citizens that that county would contribute towards financing the exposition. It was later found that the constitution did not contain any provision which would enable any county to raise money by taxation for such purposes.

This constitutional amendment would so change the constitution that Alameda county can, if two thirds of its voters vote in favor of such a tax, levy a tax upon itself for this specific purpose.

It applies to no other county. It requiring a two-thirds vote to levy the tax, everybody is safeguarded. The amendment should be adopted.

Geo. J. HANS,

State Senator Fourteenth District.

This proposed amendment is an amendment to section 18, article XI, of the Constitution of the State of California, and affects no other section of the state than Alameda county. It is in the nature of an enabling act by which Alameda county may incur a bonded indebtedness, not to exceed one million dollars, for the purchase of stock in the Panama-Pacific International Exposition Company. The amendment should be adopted by the people of the state for the reason that it will enable the voters of Alameda county to pass upon the question of investment in the exposition.

In view of the fact that the operation of the amendment would be confined entirely to Alameda county, it is clear that the voters of the state at large should permit this county to have the power to vote upon the question of bonding.

EDWARD J. TRUSSELL,

State Senator Sixteenth District.

PUBLIC UTILITIES IN MUNICIPALITIES.

Senate Constitutional Amendment 53 amending section 19 of article XI of constitution.

Authorizes any municipal corporation to acquire and operate public utilities; to grant franchises to operate same under regulations prescribed by its organic law or otherwise by law; but eliminates from present section provisions authorizing municipal government to regulate charges for services under such franchises; and authorizes municipal corporation to furnish the product or service of public utility operated by it to users beyond its limits, to other municipalities, and to inhabitants thereof without consent of such municipalities.

Senate Constitutional Amendment No. 53—A resolution proposing to the people of the State of California an amendment to section nineteen of article XI of the Constitution of the State of California, relating to the operation of public utilities by municipal corporations.

The legislature of the State of California, at its regular session commencing on the sixth day of January, 1913, two thirds of the members elected to each of the two houses of said legislature voting in favor thereof, hereby proposes that section 19 of article XI of the Constitution of the State of California be amended to read as follows:

PROPOSED LAW.

Section 19. Any municipal corporation shall have power to acquire by purchase, lease, condemnation or otherwise, in whole or in part, or to construct, and to own, maintain, equip and operate public utilities; and to grant franchises to persons, firms or private corporations to establish, equip, maintain and operate public utilities, upon such conditions and under such regulations as may be prescribed under the organic law of such municipality or otherwise by law. Any municipal corporation may furnish the product or service of any public utility conducted or operated by it to other municipal corporations and the inhabitants thereof, and to consumers and users outside of its limits.

Section 19, article XI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 19. Any municipal corporation may establish and operate public works for supplying its inhabitants with light, water, power, heat, transportation, telephone service or other means of communication. Such works may be acquired

by original construction or by the purchase of existing works, including their franchises, or both. Persons or corporations may establish and operate works for supplying the inhabitants with such services upon such conditions and under such regulations as the municipality may prescribe under its organic law, on condition that the municipal government shall have the right to regulate the charges thereof. A municipal corporation may furnish such services to inhabitants outside its boundaries; provided, that it shall not furnish any service to the inhabitants of any other municipality owning or operating works supplying the same service to such inhabitants, without the consent of such other municipality, expressed by ordinance.

ARGUMENT IN FAVOR OF SENATE CONSTITUTIONAL AMENDMENT NO. 53.

This amendment to article XI of the state constitution simply enlarges the powers of municipal corporations respecting their ownership of public utilities. This amendment extends their powers, permitting them to acquire any public utility or service instead of limiting the right to acquire a few specified kinds of service. Under the proposed amendment, municipalities can acquire, by original construction, purchase, lease or condemnation, works or plants supplying water, gas, electricity, heat, illumination, power, refrigeration, with transportation, telephone service, or any other public utility.

The old section was too limited in its powers, and therefore should be broadened, which the proposed amendment contemplates.

A. H. BREED,
State Senator Fifteenth District.

TAXATION OF PUBLIC PROPERTY.

Assembly Constitutional Amendment 6 amending section 1 of article XIII of constitution.

Present section unchanged but proviso added declaring taxable all lands and improvements thereon owned beyond its limits by a county or municipal corporation, if taxable at the time acquired by it; exempting improvements constructed by such owner upon any of its lands; and declaring all such taxable property assessable by assessor of county or municipal corporation where situated, subject to review and adjustment by state board of equalization.

Assembly Constitutional Amendment No. 6, a resolution to propose to the people of the State of California an amendment of the constitution of the state by amending section one of article thirteen thereof relating to revenue and taxation.

The legislature of the State of California at its fortieth regular session, commencing on the sixth day of January, nineteen hundred thirteen, two thirds of all the members elected to each of the houses of said legislature voting in favor thereof, hereby proposes to the qualified electors of the State of California that section one of article thirteen of the Constitution of the State of California be amended to read as follows:

PROPOSED LAW.

Section 1. All property in the state except as otherwise in this constitution provided, not exempt under the laws of the United States, shall be taxed in proportion to its value, to be ascer-

tained as provided by law, or as hereinafter provided. The word "property," as used in this article and section, is hereby declared to include moneys, credits, bonds, stocks, dues, franchises, and all other matters and things, real, personal, and mixed, capable of private ownership; provided, that a mortgage, deed of trust, contract, or other obligation by which a debt is secured when land is pledged as security for the payment thereof, together with the money represented by such debt, shall not be considered property subject to taxation; and further provided, that property used for free public libraries and free museums, growing crops, property used exclusively for public schools, and such as may belong to the United States, this state, or to any county, city and county, or municipal corporation within this state shall be exempt from taxation, except such lands and the improvements thereon located outside of the county, city and county or munic-

lpal corporation owning the same as were subject to taxation at the time of the acquisition of the same by said county, city and county or municipal corporation; provided, that no improvements of any character whatever constructed by any county, city and county or municipal corporation shall be subject to taxation. All lands or improvements thereon, belonging to any county, city and county or municipal corporation, not exempt from taxation, shall be assessed by the assessor of the county, city and county or municipal corporation in which said lands or improvements are located, and said assessment shall be subject to review, equalization and adjustment by the state board of equalization. The legislature may provide, except in the case of credits secured by mortgage or trust deed, for a deduction from credits of debts due to bona fide residents of this state.

Section 1, article XIII, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 1. All property in the state except as otherwise in this constitution provided, not exempt under the laws of the United States, shall be taxed in proportion to its value, to be ascertained as provided by law, or as hereinafter provided. The word "property," as used in this article and section, is hereby declared to include moneys, credits, bonds, stocks, dues, franchises, and all other matters and things, real, personal, and mixed, capable of private ownership; provided, that a mortgage, deed of trust, contract, or other obligation by which a debt is secured when land is pledged as security for the payment thereof, together with the money represented by such debt, shall not be considered property subject to taxation; and further provided, that property used for free public libraries and free museums, growing crops, property used exclusively for public schools, and such as may belong to the United States, this state, or to any county or municipal corporation within this state shall be exempt from taxation. The legislature may provide, except in the case of credits secured by mortgage or trust deed, for a deduction from credits of debts due to bona fide residents of this state.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 6.

It provides for the taxation of such lands and the improvements thereon located outside the county, city and county or municipal corporation owning the same, as were subject to taxation at the time of the acquisition of the same by said county, city and county or municipal corporation; provided, that no improvements of any character whatever constructed by any county, city and county or municipal corporation shall be subject to taxation. All lands or improvements thereon, belonging to any county, city and county or municipal corporation, not exempt from taxation, shall be assessed by the assessor of the county, city and county or municipal corporation in which said lands or improvements are located, and said assessment shall be subject to review, equalization and adjustment by the state board of equalization.

This amendment does not seek to hinder in any way the development of enterprises by and for the benefit of counties or municipalities, in any part of the state, but to protect from loss those

counties into which they may enter for such purposes. A concrete illustration is afforded by the counties of Tuolumne, Mono and Inyo. In furtherance of obtaining a large water supply, for municipal and other uses, the purchase by San Francisco in Tuolumne county aggregated over \$1,000,000.00 worth of property. Los Angeles, in Owens river valley, acquired by purchase over 75,000 acres of land, amounting to over one sixth of the assessed value, and more than one fourth of the located agricultural land of the county. The city of Los Angeles has acquired large holdings in Mono county. Before such acquisition the area was tax-paying property. Since the acquisition in Inyo county the city of Los Angeles has continued to pay taxes, as a matter of justice, but its payments are accompanied by protests, in order to preserve to it the right of refusal to pay which many contend that it has under the constitutional provision as it stands at present, and that it might sustain in case of legal contest. While not abandoning any right from a technical standpoint, the city recognizes the justice of the contention upon which this amendment is based.

The city of San Francisco refuses absolutely to pay one dollar in taxes in Tuolumne county on their \$1,000,000.00 worth of property, contending they are exempt from such a tax by a constitutional provision.

The proposed amendment does not penalize improvements that the invading corporation may make. On the contrary, it expressly limits taxation to the property as acquired and excludes any improvements thereafter made.

It further gives to the owning municipality or county, assessed under its authority, the same protection against unjust assessment that other taxpayers enjoy, by making such assessments subject to competent official review.

It would be possible for an acquiring city or county to virtually destroy the government of a small county by acquiring, for one purpose or another, for municipal use, the substance of its revenue-yielding property. That such a result would be improbable and extreme does not alter the fact of its possibility. In the Inyo county instance, refusal by the city of Los Angeles to pay taxes upon real estate which has heretofore borne its due share of the expense of the county government would be a serious matter, either curtailing the county's welfare or imposing a heavier burden on other property. With such a result possible to a fractional extent, it would be equally possible to the fullest extent that the investing city might see fit to go.

It is to remedy such a condition that this amendment was proposed. Uncertainty on the matter should be removed by a legal assurance that while natural resources within one county may be directly used for the upbuilding of another, lands or other property already upon the invaded county's tax roll shall continue to bear its share of maintaining the local government.

It is hoped, therefore, that the justice of this amendment will insure for it the approval of the people of the state.

Geo. A. CLARK,
Assemblyman Forty-seventh District.

LOCAL TAXATION EXEMPTION.

Assembly Constitutional Amendment 7 adding section 8½ to article XIII of constitution.

Authorizes any county or municipality to exempt from taxation for local purposes in whole or part, any one or more of following classes of property: improvements in, on, or over land; shipping; household furniture; live stock; merchandise; machinery; tools; farming implements; vehicles; other personal property except franchises; provides that ordinance or resolution making such exemptions shall be subject to referendum; and requires that taxes upon property not exempt from taxation shall be uniform.

Assembly Constitutional Amendment No. 7, a resolution to propose to the people of the State of California an amendment to the Constitution of the State of California by adding a new section to article XIII, relating to revenue and taxation.

The legislature of the State of California at its fortieth regular session commencing on the sixth day of January, nineteen hundred and thirteen, two thirds of all members of each house of said legislature voting in favor thereof, hereby propose an amendment to the Constitution of the State of California, by adding to article XIII a new section.

Section 1. Article XIII, of the Constitution of the State of California, is hereby amended by adding thereto a new section to be numbered eight and one half, to read as follows:

Section 8½. Any county, city and county, city or town, may exempt from taxation for local purposes in whole or in part, any one or more of the following classes of property: improvements in, on, or over land; shipping; household furniture; live stock; merchandise; machinery; tools; farming implements; vehicles; other personal property except franchises. Any ordinance or resolution of any county, city and county, city or town, exempting property from taxation, as in this section provided, shall be subject to a referendum vote as by law provided for ordinances or resolutions. Taxes levied upon property not exempt from taxation shall be uniform.

ARGUMENTS IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO 7.

Any one who opposes this amendment immediately places the people of the State of California in the position of being unable to govern themselves. In other words, the opponents are opposed to self-government.

The amendment is merely an enabling act, and does not, of itself, adopt any system of taxation, nor does it make any change in the present systems now in use. It merely gives to the people of the various political subdivisions, set forth therein, the right to change their present system of taxation to best suit the welfare and advancement of their home city or town. For example, if a city wants to encourage manufacturing, that city could exempt manufacturing establishments from taxation. If a city would have more homes built within its borders, houses could be exempted. And so certain property might be exempt as the nature of each case required. This is what is called Home Rule in Taxation or self-government.

Cities now having the right to say how their money shall be spent should, by the same reasoning be entitled to adopt a system whereby that money is to be raised. The constitution has recently given to cities home rule by virtue of the initiative, referendum and recall, and it is only logical that cities should have home rule in matters pertaining to their tax system.

The present system of taxation is unjust, burdensome, complicated and costly. The taxpayer is compelled to pay a great number of deputies each year to assess all forms of property, including household furniture, gifts and other per-

sonal property. Thus are cities confronted with a complicated system. If, for example, in a given city the tax should be raised on the land alone, thus exempting other forms of property, it would immediately lessen the cost of assessment and would encourage building, thrift and enterprise. For, it being no longer necessary to be punished for being thrifty, people would naturally bring into use land now held out of use. Where land is held out of use, for speculative purposes, by the land barons of the state, society suffers. If men realize, by virtue of a perfect system of taxation, that it will not pay them to keep land out of use, they will immediately begin to improve the land with the result that more buildings will be erected, more mechanics, artisans and laborers will be employed, a greater demand for labor will ensue and an increase in wages will result. Consequently, the whole of society will be benefited, and a better, grander and more moral order of things will result.

Colorado has adopted a similar amendment, and the city of Pueblo in that state is working under it to its fullest extent. Vancouver and other provinces of Western Canada have adopted it, and there is no noticeable desire to return to the old system of taxation. The Minnesota Tax Commission has recently recommended it, as well as the Commission on New Sources of City Revenue, city of New York.

GEORGE GELDER,
Assemblyman Fortieth District.

The general property tax for state purposes was so unsatisfactory that California abandoned it four years ago by separating state and local taxation. The general property tax for local purposes is unsatisfactory in California, as well as in other states that have separated state and local taxation.

The personal property tax is unsatisfactory wherever it is in force. It has been abandoned in Pennsylvania, and outside of the United States by every progressive nation. It is condemned by every thoughtful student of taxation as the easiest tax to evade, as incapable of equitable enforcement, and as unjust. The only way to get rid of it in California is by amending the constitution.

Assembly Constitutional Amendment No. 7, known as the Home Rule Tax Amendment, gives California counties, cities and towns the opportunity to abandon the personal property tax wholly or in part, at once or gradually, if they wish to do so, but does not compel its abolition if a county, city or town wishes to retain it.

There is a widespread and growing belief that taxes on improvements work injustice to the improver, operating to discourage improvements, although improvements benefit a community.

Some counties, cities and towns may prefer to abolish taxes on improvements; others may prefer to retain the improvement taxes. One county, city or town has no interest in the method by which another raises its local revenue, therefore, uniformity is not desirable, but merely interferes with progress. But a constitutional amendment is necessary to permit counties, cities and towns to tax or exempt improvements, as

they may prefer, and the Home Rule Tax Amendment gives that permission, without compelling them either to exempt or to tax improvements.

Home rule in taxation is merely an extension of the other home rule rights given by the California constitution to counties, cities and towns. Home rule in taxation is not an "untried experiment." It has been in force in the western provinces of Canada for more than thirty years, in New Zealand for twenty years, in the Australian states for fifteen years, and in the irrigation districts of California since 1909. The Minnesota Tax Commission praises its operation in western Canada.

The Home Rule Tax Amendment will enable each county, city and town to adopt a system of taxation that suits the people of the community, without regard to what is done by the people of other communities. Riverside county has no interest in local taxation in Shasta or any other county. Los Angeles has no interest in the local taxation of Stockton.

The Home Rule Tax Amendment will permit any county, city or town to exempt in whole or in part certain classes of property. Should all of these classes of property be exempted by any county, city or town, it would then have the system of taxation that has been so successful in hundreds of cities, towns and rural communities in Canada, Australia and New Zealand, as well as in the Modesto, Oakdale and other irrigation districts of California.

For these reasons the Home Rule Tax Amendment should be approved.

GEO. B. FINNEGAN,
Assemblyman Ninth District.

ARGUMENT AGAINST ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 7.

If the proposed amendment to article XIII of the constitution is adopted, it will create a new revenue system, and will make possible a more unequal system of taxation than now prevails.

The theory of taxation is that it should be equal, and all classes of property should be subject to just and equal taxation, and every tax system should be statewide.

This amendment will authorize local governing bodies to alter any tax system now or hereafter existing.

ELECTIONS BY PLURALITY, PREFERENTIAL VOTE AND PRIMARY.

Assembly Constitutional Amendment 19 amending section 13 of article XX of constitution.

Declares plurality of votes at any primary or election constitutes choice unless constitution otherwise provides; permits charters framed under constitution for counties or municipalities and general laws for other counties and municipalities to provide otherwise, or for nomination or election, or both, of all or any portion of candidates at a primary, or for preferential system of voting at any county or municipal primary or other election; authorizes general laws providing preferential system of voting at any other primary.

Assembly Constitutional Amendment No. 19, a resolution to propose to the people of the State of California an amendment to the Constitution of the State of California by amending section 13 of article XX, relating to elections.

The legislature of the State of California, at its fortieth regular session, commencing the sixth day of January, nineteen hundred and thirteen, two thirds of all the members elected to each of the two houses of said legislature voting in favor thereof, hereby proposes that section thirteen of article twenty of the Constitution of the State of California be amended to read as follows:

PROPOSED LAW.

Section 13. Where not otherwise directed in this constitution, a plurality of the votes given
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It gives them the right to exempt certain classes of property from taxation either in whole or in part, thus creating an unsettled value of such property.

One set of officers could exempt from taxation property that their successors in office would include for such taxable purposes, thereby creating endless confusion.

Classes of property included in this amendment would be of different value in adjoining territories.

Under this provision the city of Oakland could exempt merchandise from certain taxes, which would compel the cities of San Francisco and Berkeley to exempt the same classes of property from such taxes, or the merchants of the latter two named cities, other things being equal, could not compete with the merchants of the former on an equal basis.

Under this provision, improvements of all kinds can be exempted from taxation in the county of San Francisco, which would compel adjoining counties to do likewise, or investors would be induced to improve only in counties that exempt improvements from taxation. Individuals or corporations locating factory or mercantile sites would locate in the counties where taxes were the lightest, thus inducing local officials to exempt such property from taxation in order to secure such sites, to the detriment and expense of other classes of property.

This amendment would make it possible for all cash in banks or bills receivable to be exempted from taxation.

It provides that a person could own vast numbers of live stock, as some of our citizens do, and not pay a cent of certain local taxes on that kind of property.

If this amendment is adopted it will tend to create dissension on the question of taxation. It will create strife between owners of different classes of property, and will not only make vicious local legislation possible, but will induce such legislation. It will assist the professional tax dodger.

A similar amendment to this one was submitted to the voters of the state two years ago and was overwhelmingly defeated.

W. F. CHANDLER,
Assemblyman Fiftieth District.

Section 13, article XX, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 13. A plurality of the votes given at any election shall constitute a choice where not otherwise directed in this constitution; provided, that it shall be competent in all charters of cities, counties or cities and counties framed under the authority of this constitution to provide the manner in which their respective elective officers may be elected and to prescribe a higher proportion of the vote therefor; and provided, also, that it shall be competent for the legislature by general law to provide the manner in which officers of municipalities organized or incorporated under general laws may be elected and to prescribe a higher proportion of the vote therefor.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 19.

The object of the amendment is to make possible the adoption, when desired, of a preferential system of electing officers where such are chosen as non-partisans, and of nominating party candidates where officers are chosen as partisans.

First—Applied to non-partisan elections.

Municipalities and counties having charters may provide in such charters for a preferential system of electing their respective officers. The legislature may make similar provision for cities and counties not having charters.

The "preferential" system is in effect the so-called "Berkeley" plan of majority choice, with but one election instead of two, thus saving the cost, time and energy of a second election.

It is already in successful operation in Grand Junction, Colorado Springs, Denver, Duluth, Minn., Spokane, Portland, Ore., and Cleveland—cities ranging from eight thousand to over half a million population.

While the details of various preferential plans differ, the underlying principle is the same, nomination, as under the "Berkeley" plan, is by small petition. The ballots are so printed that the voter may designate a second (and under some systems a third) as well as a first choice. If any candidate receives a majority of all the first choices he is thereby elected. If no one re-

ceives such a majority, the candidate with the lowest number of first choices is dropped, and the second choices of those who voted for him as first choice are added to the first choice votes of the candidates remaining. This process is repeated till one has secured a majority of all votes cast and so elected.

Evidently much of the personal bitterness of present campaigns will be prevented, for no candidate, knowing that his election may require the second choice votes of the supporters of other candidates, is going to deliberately estrange such voters by uncalled-for attacks on such candidates.

In operation the preferential system has proved simple for the voter and satisfactory to the community, and also a great money saver.

Second—Applied to partisan primaries.

The legislature may, by general law, provide for the use of such system for selection of party candidates at partisan primaries, as is done in a number of states. It insures the selection of party candidates, supported by a majority of all electors of each party participating in the primary. Without such plan, the candidate may be nominated by a small minority. Such possibility is now used by leaders and bosses to dissuade more than one of their faction from seeking nomination for fear that another group, though smaller, may, by concentrating on one candidate, win the nomination. Under preferential voting there is no danger of minority nomination, hence no such reason for preventing candidacies.

The "Berkeley" plan is still authorized under the changed provision; and any question of the legality of electing all or any portion of the candidates at the first or primary election is set at rest by specific sanction.

The amendment does not require the adoption of any system, but does enable the legislature on the one hand, and chartered cities and counties on the other, to adopt, if desired, such preferential system as may best suit the several needs.

WM. C. CLARK,

Assemblyman Thirty-seventh District.

L. D. BARNETT,

Assemblyman Forty-fourth District.

ASSEMBLY PAYROLL EXPENSES.

Assembly Constitutional Amendment 23 amending section 23a of article IV of constitution.

Increases the amount allowed for the total expense for officers, employees and attachés of assembly at any regular or biennial session of legislature from present amount of five hundred dollars per day to six hundred dollars per day; makes no other change in operation of present section.

Assembly Constitutional Amendment No. 23, a resolution to propose to the people of the State of California, an amendment to section 23a of article 4, of the Constitution of the State of California relative to the limitation of expense for officers and employees of the legislature.

The legislature of the State of California, at its regular session, commencing the sixth day of January, 1913, two thirds of the members elected to each of the two houses of said legislature, voting in favor thereof, hereby proposes to the qualified electors of the State of California, the following amendment to the Constitution of the State of California:

PROPOSED LAW.

Section 23a. The legislature may also provide for the employment of help; but in no case shall the total expense for officers, employees and attachés of the senate exceed the sum of five hundred dollars per day, and in no case shall the total expense for officers, employees and attachés of the assembly exceed the sum of six hundred dollars per day, at any regular or biennial session, nor the sum of two hundred dollars per day either house at any special or extraordinary session, nor shall the pay of any officer, em-

ployee or attaché be increased after he is elected or appointed.

Section 23a, article IV, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 23a. The legislature may also provide for the employment of help; but in no case shall the total expense for officers, employees and attachés exceed the sum of five hundred dollars per day for either house, at any regular or biennial session, nor the sum of two hundred dollars per day for either house at any special or extraordinary session, nor shall the pay of any officer, employee or attaché be increased after he is elected or appointed.

ARGUMENT AGAINST ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 23.

The constitution now provides a limitation of expense of \$1,000.00 per day for officers and employees of the legislature while in session, equally divided between the senate and assembly. As there are eighty members of the assembly and only forty in the senate, I introduced an amendment allowing \$500.00 per day for the assembly

and \$400.00 per day for the senate, leaving the total \$1,000.00 per day, as at present. The senate amended by making it \$600.00 per day for the assembly, or \$100.00 per day more than at present, and \$300.00 (or as at present) for the senate, making a total of \$1,100.00 per day.

A new law, which I introduced, is now in effect which combines the "file rooms" of each house, making a saving of about \$50.00 per day for help.

Several bills were introduced providing for a "Member's Clerk" for each member; as these bills failed to become laws and as the file rooms will now be combined, I see no reason for the adoption of Assembly Constitutional Amendment No. 23 and therefore recommend that it be defeated.

FRANK M. SMITH,
Assemblyman Thirty-sixth District.

ADOPTION AND AMENDMENT OF MUNICIPAL CHARTERS.

Assembly Constitutional Amendment 25 amending section 8 of article XI of constitution.

Authorizes cities of more than thirty-five hundred population to adopt charters; prescribes method therefor, and time for preparation thereof by freeholders; requires but one publication thereof, copies furnished upon application; provides for approval by legislature, method and time for amendment, and that of several conflicting concurrent amendments one receiving highest vote shall prevail; authorizes charter to confer on municipality all powers over municipal affairs, to establish boroughs and confer thereon general and special municipal powers.

Assembly Constitutional Amendment No. 25, a resolution to propose to the people of the State of California an amendment to section eight of article eleven of the Constitution of the State of California relating to municipal corporations.

The legislature of the State of California, at its regular session commencing on the sixth day of January, 1913, two thirds of the members elected to each of the two houses of said legislature voting in favor thereof, hereby proposes that section 8 of article XI of the Constitution of the State of California be amended to read as follows:

PROPOSED LAW.

Section 8. Any city or city and county containing a population of more than three thousand five hundred inhabitants, as ascertained by the last preceding census taken under the authority of the congress of the United States or of the legislature of California, may from a charter for its own government, consistent with and subject to this constitution; and any city, or city and county having adopted a charter may adopt a new one. Any such charter shall be framed by a board of fifteen freeholders chosen by the electors of such city at any general or special election; but no person shall be eligible as a candidate for such board unless he shall have been, for the five years next preceding, an elector of said city. An election for choosing freeholders may be called by a two-thirds vote of the legislative body of such city, and, on presentation of a petition signed by not less than fifteen per cent of the registered electors of such city, the legislative body shall call such election at any time not less than thirty nor more than sixty days from date of the filing of the petition. Any such petition shall be verified by the authority having charge of the registration records of such city or city and county and the expenses of such verification shall be provided by the legislative body thereof. Candidates for the office of freeholders shall be nominated either in such manner as may be provided for the nomination of officers of the municipal government or by petition, substantially in the same manner as may be provided by general laws for the nomination by petition of electors of candidates for public offices to be voted for at general elections. The board of freeholders shall, within one hundred and twenty days after the result of the election is declared, prepare and propose a charter for the government of such city; but the said period of one hundred and twenty days may with the consent of the legislative body of such city be extended by such board not exceeding a total of sixty days. The charter so prepared shall be signed by a majority of the board of freeholders and filed, in the office

of the clerk of the legislative body of said city. The legislative body of said city shall within fifteen days after such filing cause such charter to be published once in the official paper of said city; (or in case there be no such paper, in a paper of general circulation); and shall cause copies of such charter to be printed in convenient pamphlet form, and shall, until the date fixed for the election upon such charter, advertise in one or more papers of general circulation published in said city a notice that such copies may be had upon application therefor. Such charter shall be submitted to the electors of such city at a date to be fixed by the board of freeholders, before such filing and designated on such charter, either at a special election held not less than sixty days from the completion of the publication of such charter as above provided, or at the general election next following the expiration of said sixty days. If a majority of the qualified voters voting thereon at such general or special election shall vote in favor of such proposed charter, it shall be deemed to be ratified, and shall be submitted to the legislature, if then in session, or at the next regular or special session of the legislature. The legislature shall by concurrent resolution approve or reject such charter as a whole, without power of alteration or amendment; and if approved by a majority of the members elected to each house it shall become the organic law of such city or city and county, and supersede any existing charter and all laws inconsistent therewith. One copy of the charter so ratified and approved shall be filed with the secretary of state, one with the recorder of the county in which such city is located, and one in the archives of the city; and thereafter the courts shall take judicial notice of the provisions of such charter. The charter of any city or city and county may be amended by proposals therefor submitted by the legislative body of the city on its own motion or on petition signed by fifteen per cent of the registered electors, or both. Such proposals shall be submitted to the electors only during the six months next preceding a regular session of the legislature or thereafter and before the final adjournment of that session and at either a special election called for that purpose or at any general or special election. Petitions for the submission of any amendment shall be filed with the legislative body of the city or city and county not less than sixty days prior to the general election next preceding a regular session of the legislature. The signatures on such petitions shall be verified by the authority having charge of the registration records of such city or city and county, and the expenses of such verification shall be provided by the legislative body thereof. If such petitions have a sufficient number of signatures the legislative body of the city or city and county shall so submit the amendment or amendments so proposed to the electors. Amendments proposed by the legislative body and amendments proposed by petition of the electors may be submitted the same election. The amendments so submitted shall be advertised in the same manner as herein provided for the advertisement of a

proposed charter, and the election thereon held at a date to be fixed by the legislative body of such city, not less than forty and not more than sixty days after the completion of the advertising in the official paper. If a majority of the qualified voters voting on any such amendment vote in favor thereof it shall be deemed ratified, and shall be submitted to the legislature at the regular session next following such election; and approved or rejected without power of alteration in the same manner as herein provided for the approval or rejection of a charter. In submitting any such charter or amendment separate propositions, whether alternative or conflicting, or one included within the other, may be submitted at the same time to be voted on by the electors separately, and, as between those so related, if more than one receive a majority of the votes, the proposition receiving the larger number of votes shall control as to all matters in conflict. It shall be competent in any charter framed under the authority of this section to provide that the municipality governed thereunder may make and enforce all laws and regulations in respect to municipal affairs, subject only to the restrictions and limitations provided in their several charters and in respect to other matters they shall be subject to general laws. It shall be competent in any charter to provide for the division of the city or city and county governed thereby into boroughs or districts, and to provide that each such borough or district may exercise such general or special municipal powers, and to be administered in such manner, as may be provided for each such borough or district in the charter of the city or city and county.

The percentages of the registered electors herein required for the election of freeholders or the submission of amendments to charters shall be calculated upon the total vote cast in the city or city and county at the last preceding general state election; and the qualified electors shall be those whose names appear upon the registration records of the same or preceding year. The election laws of such city or city and county shall, so far as applicable govern all elections held under the authority of this section.

Section 8, article XI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 8. Any city containing a population of more than three thousand five hundred inhabitants as ascertained and established by the last preceding census, taken under the direction of the congress of the United States, or by a census of said city, taken, subsequent to the aforesaid census, under the direction of the legislative body thereof, under laws authorizing the taking of the census of cities, may frame a charter for its own government, consistent with, and subject to, the constitution (or, having framed such a charter, may frame a new one), by causing a board of fifteen freeholders, who shall have been, for at least five years, qualified electors thereof, to be elected by the qualified electors of said city, at a general or special municipal election. Said board of freeholders may be so elected in pursuance of an ordinance adopted by a vote of two thirds of all the members of the council, or other legislative body, of such city, declaring that the public interest requires the election of such board for the purpose of preparing and proposing a charter for said city, or in pursuance of a petition of qualified electors of said city, as hereinafter provided. Such petition, signed by fifteen per centum of the qualified electors of said city computed upon the total number of votes cast therein for all candidates for governor at the last preceding general election at which a governor was elected, praying for the election of a board of fifteen freeholders to prepare and propose a charter for said city, may be filed in the office of the city clerk, within twenty days after the filing of said petition, to examine the same and to ascertain

from the record of the registration of electors of the county, showing the registration of electors of said city, whether the petition is signed by the requisite number of qualified electors of such city. If required by said clerk, the council, or other legislative body, of said city shall authorize him to employ persons specially to assist him in the work of examining such petition, and shall provide for their compensation. Upon the completion of such examination, said clerk shall forthwith attach to said petition his certificate, properly dated, showing the result thereof, and if, by said certificate, it shall appear that said petition is signed by the requisite number of qualified electors, said clerk shall present the said petition to said council, or other legislative body, at its next regular meeting after the date of such certificate. Upon the adoption of such ordinance, or the presentation of such petition, said council, or other legislative body, shall order the holding of a special election for the purpose of electing such board of freeholders, which said special election shall be held not less than twenty days, nor more than sixty days after the adoption of the ordinance aforesaid, or the presentation of said petition to said council, or other legislative body; provided, that if a general municipal election shall occur in said city not less than twenty days, nor more than sixty days, after the adoption of the ordinance aforesaid, or the presentation of said petition to said council, or other legislative body, said board of freeholders may be elected at such general municipal election. Candidates for election as members of said board of freeholders shall be nominated by petition, substantially in the same manner as may be provided by general laws for the nomination by petition of electors of candidates for public offices to be voted for at general elections.

It shall be the duty of said board of freeholders, within one hundred and twenty days after the result of such election shall have been declared by said council, or other legislative body, to prepare and propose a charter for said city, which shall be signed in duplicate by the members of said board of freeholders, or a majority of them, and be filed, one copy in the office of the city clerk of said city, and the other in the office of the county recorder of the county in which said city is situated. Said council, or other legislative body, shall, thereupon, cause said proposed charter to be published for at least ten times, in a daily newspaper of general circulation, printed, published and circulated in said city; provided, that in any city where no such daily newspaper is printed, published and circulated, such proposed charter shall be published, for at least three times, in at least one weekly newspaper of general circulation, printed, published and circulated in said city, and, in any event, the first publication of such proposed charter shall be made within fifteen days after the filing of a copy thereof, as aforesaid, in the office of the city clerk. Such proposed charter shall be submitted by said council, or other legislative body, to the qualified electors of said city at a special election held not less than twenty days, nor more than forty days, after the completion of such publication; provided, that if a general municipal election shall occur in said city not less than twenty days, nor more than forty days, after the completion of such publication, then such proposed charter may be so submitted at such general election. If a majority of such qualified electors voting thereon at such general or special election shall vote in favor of such proposed charter, it shall be deemed to be ratified, and shall be submitted to the legislature, if it be in regular session, otherwise at its next regular session, or it may be submitted to the legislature in extraordinary session, for its approval or rejection as a whole, without power of alteration or amendment. Such approval may be made by concurrent resolution, and if approved by a majority vote of the members elected to each house, such charter shall become the charter of such city, or, if such city be consolidated with a county, then of such city and county, and shall become the organic law thereof, and supersede

any existing charter (whether framed under the provisions of this section of the constitution or not), and all amendments thereof, and all laws inconsistent with such charter. A copy of such charter, certified by the mayor, or other chief executive officer of said city, and authenticated under the seal of such city, setting forth the submission of such charter to the electors of said city, and its ratification by them, shall, after the approval of such charter by the legislature, be made in duplicate and deposited, one in the office of the secretary of state and the other, after being recorded in the office of the recorder of the county in which such city is situated, shall be deposited in the archives of the city, and thereafter all courts shall take judicial notice of said charter.

The charter, so ratified, may be amended by proposals therefor submitted by the council, or other legislative body of the city, to the qualified electors thereof at a general or special municipal election held at intervals of not less than two years (except that charter amendments may be submitted at a general municipal election at an interval of less than two years after the last election on charter amendments provided that no other election on charter amendments has been held since the beginning of the last regular session of the state legislature or shall be held prior to the next regular session of the state legislature), and held not less than twenty days, nor more than forty days, after the completion of the publication of such proposals for ten times in a daily newspaper of general circulation, printed, published and circulated in said city, or for three times in at least one weekly newspaper of general circulation, printed, published and circulated in said city, if there be no such daily newspaper. If a majority of such qualified electors voting thereon at such general or special election shall vote in favor of any such proposed amendment or amendments, or any amendment or amendments proposed by petition, as hereinafter provided, such amendment or amendments shall be deemed to be ratified, and shall be forthwith submitted to the legislature, if it be in regular session, otherwise at its next regular session, or may be submitted to the legislature in extraordinary session, for approval or rejection as a whole, without power of alteration or amendment, and if approved by the legislature, as herein provided for the approval of the charter, such charter shall be amended accordingly. A copy of such amendment or amendments shall, after the approval thereof by the legislature, be made in duplicate, and shall be authenticated, certified, recorded and filed as herein provided for the charter, and with like force and effect. Whenever a petition signed by fifteen per centum of the qualified electors of the city, computed upon the total number of votes cast therein for all candidates for governor at the last preceding general election at which a governor was elected, is filed in the office of the city clerk of said city, petitioning the council, or other legislative body thereof, to submit any proposed amendment or amendments to the charter of such city, which amendment or amendments shall be set forth in full in such petition, to the qualified electors thereof, such petition shall forthwith be examined and certified by the city clerk, and if signed by the requisite number of qualified electors of said city, it shall be presented to the said council, or other legislative body, by the said city clerk, as hereinbefore provided for petitions for the election of boards of freeholders. Upon the presentation of said petition to said council, or other legislative body, said council, or other legislative body, must submit the amendment or amendments set forth in said petition to the qualified electors of said city, at a general or special municipal election, held not less than twenty, nor more than forty, days after the completion of the publication of such proposed amendment or amendments, in the same manner as hereinbefore provided in the case of the submission of any proposed amendment or amendments to such charter, proposed and submitted by the council, or other legislative body. The first publication of any proposed amendment or amendments to such charter so proposed by petition shall be made within fifteen days after the aforesaid presentation of said petition to said

council, or other legislative body. In submitting any such charter, amendment or amendments thereto, any alternative article or proposition may be presented for the choice of the electors, and may be voted on separately without prejudice to others.

Every special election held in any city under the provisions of this section, for the election of a board of freeholders, or for the submission of any proposed charter or any amendment or amendments thereto, shall be called by the council, or other legislative body thereof, by ordinance, which shall specify the purpose and time of such election, and shall establish the election precincts and designate the polling places therein, and the names of the election officers for each such precinct. Such ordinance shall, prior to such election, be published five times in a daily newspaper, or twice in a weekly newspaper, if there be no such daily newspaper printed, published and circulated in said city. Such election shall be held and conducted, the returns thereof canvassed, and the result thereof declared by the council, or other legislative body of such city, in the manner that is now or may be hereafter provided by general law for such elections in the particulars wherein such provision is now or may hereafter be made therefor, and in all other respects in the manner provided by law for general municipal elections, in so far as the same may be applicable thereto.

Whenever any board of freeholders shall be elected, or any such proposed charter or amendment or amendments thereto shall be submitted at a general municipal election, the laws governing the election of city officers, or the submission of propositions to the vote of electors, shall be followed in so far as the same may be applicable thereto and not inconsistent herewith.

It shall be competent in any charter framed by any city under the authority given in this section, or by amendment to such charter, to provide, in addition to those provisions allowed by this constitution and by the laws of the state, for the establishment of a borough system of government for the whole or any part of the territory of such city, by which one or more districts may be created therein, which districts shall be known as boroughs, and which shall exercise special municipal powers as may be granted such charter, and for the organization, regulation, government and jurisdiction of such boroughs.

All the provisions of this section relating to the city clerk shall, in any city and county, be deemed to relate to the clerk of the legislative body thereof.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 25.

This amendment has been drawn to simplify and make definite the provisions by which cities may frame and adopt their charters, so that the validity of the organization of cities thereunder can not be questioned. Two main purposes are served by the amendment:

First—It permits a general grant of power, as to municipal affairs, to be made to a city government by charter instead of necessitating the enumeration of a long list of powers to be exercised, as has been done heretofore. The large numbers of charter amendments offered at each session of the legislature have been made necessary because important powers have been omitted from the original enumeration.

Second—It clears up the present uncertainty as to the times at which a charter election may be held, permitting the cities to hold such elections at any time within six months prior to the regular session of the legislature or at any time during the regular session. As the general state election is held in all cities in November prior to the meeting of the legislature, this will enable the cities to hold their charter election at the same time without additional expense.

Other improvements briefly are as follows:

Third—Provides that petitions for charter elections shall be verified by the officer in custody of the registration records. The present provision puts that duty on the city clerk who, in most cases, has nothing to do with those records.

Fourth—It extends the time for considering a choice of freeholders to thirty days. The present provision limits it to twenty days.

Fifth—It permits nominations for freeholder to be made in the simple form used by many cities in nominating municipal officers, as well as by petition under general laws.

Sixth—It permits the time for drawing a charter to be extended sixty days with the consent of the legislative body of the city. Present requirement is that a charter shall be completed in 120 days, which is often too short.

Seventh—Calls for only one publication (instead of ten) in the official paper, and provides further for circulation of the charter in convenient pamphlet form among the voters. The blanket form of publication for charters makes it difficult to read them.

Eighth—Allows at least sixty days for a charter campaign; time is now twenty to forty—too short for a general circulation of the charter, and full discussion.

Ninth—Provides that in case of conflict in the provisions of two or more amendments to a charter the one receiving the higher vote shall govern as to matters in conflict.

Tenth—Simplifies the provision for organization of boroughs.

Eleventh—Reduces the length of this section from five pages to three.

The exceeding complexity of the amendment to this section of the constitution adopted in 1911 has raised many problems in adopting charters or amending them afterwards. This amendment clears up doubts and makes the system simple, certain and flexible.

WM. C. CLARK,
Assemblyman Thirty-seventh District.
ARTHUR L. SHANNON,
Assemblyman Thirty-second District.

LEGISLATIVE CONTROL OF IRRIGATION, RECLAMATION AND DRAINAGE DISTRICTS.

Assembly Constitutional Amendment 47 amending section 13 of article XI of constitution.

Present section unchanged but proviso added authorizing legislature to provide for supervision, regulation and conduct, in such manner as it may determine, of affairs of irrigation, reclamation or drainage districts, organized or existing under laws of this state.

Assembly Constitutional Amendment No. 47, a resolution to propose to the people of the State of California an amendment to the Constitution of the State of California to amend section thirteen of article eleven relating to supervision, regulation and conduct of the affairs of irrigation, reclamation or drainage districts.

The legislature of the State of California at its regular session, commencing on the sixth day of January, 1913, two thirds of the members elected to each of the two houses of the said legislature voting in favor thereof, hereby proposes to the qualified electors of the state that section thirteen of article XI of the Constitution of the State of California be amended to read as follows:

PROPOSED LAW.

Section 13. The legislature shall not delegate to any special commission, private corporation, company, association or individual any power to make, control, appropriate, supervise or in any way interfere with any county, city, town or municipal improvement, money, property, or effects, whether held in trust or otherwise, or to levy taxes or assessments or perform any municipal function whatever, except that the legislature shall have power to provide for the supervision, regulation and conduct, in such manner as it may determine, of the affairs of irrigation districts, reclamation districts or drainage districts, organized or existing under any law of this state.

Section 13, article XI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 13. The legislature shall not delegate to any special commission, private corporation, company, association, or individual, any power to make, control, appropriate, supervise, or in any way interfere with any county, city, town, or municipal improvement, money, property, or effects, whether held in trust or otherwise, or to levy taxes or assessments, or perform any municipal functions whatever.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 47.

Assembly Constitutional Amendment No. 47 will make no change in section 13 of article XI of the Constitution of California except to add a clause, following the word "whatever," to remove doubt as to the right of the state to provide for "the supervision, regulation and conduct" of irrigation, reclamation and drainage districts, in order to increase confidence in the bonds of such districts.

In recent years considerable legislation has been enacted, especially with reference to irrigation districts, to safeguard the issuance of their bonds and to widen the market for them.

Experience has shown, however, that some measure of state supervision of the affairs of the districts is desirable, at least during the period of the construction of their work, in order to assure investors in their bonds that the proceeds of the bonds will be so expended that the districts will be successful. In construing section 13 of article XI of the constitution as it now stands, our supreme court has held that it applies to irrigation districts.

Therefore the state could not provide for effective supervision of their affairs. It has never been held that this section applies to reclamation and drainage districts, but they have been included in the amendment to remove any doubt as to the right of the state to provide for their supervision. This amendment was suggested by representatives of the districts. It does not affect any other interest and does not commit the state to any policy. It simply makes possible the adoption of such measures for strengthening the securities of these districts as the legislature may find to be desirable.

The amendment was unanimously approved by both houses of the legislature after a careful investigation of its merits, as a practical measure in furtherance of the development of California.

J. A. MURRAY,
Assemblyman Eighth District.
HUGH B. BRADFORD,
Assemblyman Fifteenth District.

COUNTY CHARTERS.

Assembly Constitutional Amendment 60 amending section 7½ of article XI of constitution.

Present section unchanged except in following particulars: Authorizes county charter framed thereunder to relate to any matters authorized by constitution, and adds paragraph 4½ authorizing such charter to provide for discharge by county officers of certain municipal functions of any municipality within said county incorporated under general laws which so authorize, or of any municipality therein whose charter framed under section 8 of article XI so authorizes.

Assembly Constitutional Amendment No. 60, a resolution to propose to the people of the State of California an amendment to the constitution of said state by amending section seven and one half, article XI thereof relating to charters of counties and amendments to such charters and to the surrender thereof.

The legislature of the State of California at its 40th regular session commencing on the sixth day of January, 1913, two thirds of all the members elected to each of the two houses of said legislature voting therefor hereby proposes to the people of the State of California that section seven and one half of article XI of the constitution of the state be amended so as to read as follows:

PROPOSED LAW.

Section 7½. Any county may frame a charter for its own government consistent with and subject to the constitution (or, having framed such a charter, may frame a new one.) and relating to matters authorized by provisions of the constitution, by causing a board of fifteen freeholders, who have been for at least five years qualified electors thereof, to be elected by the qualified electors of said county, at a general or special election. Said board of freeholders may be so elected in pursuance of an ordinance adopted by the vote of three fifths of all the members of the board of supervisors of such county, declaring that the public interest requires the election of such board for the purpose of preparing and proposing a charter for said county, or in pursuance of a petition of qualified electors of said county as hereinafter provided. Such petition, signed by fifteen per centum of the qualified electors of said county, computed upon the total number of votes cast therein for all candidates for governor at the last preceding general election at which a governor was elected, praying for the election of a board of fifteen freeholders to prepare and propose a charter for said county, may be filed in the office of the county clerk. It shall be the duty of said county clerk, within twenty days after the filing of said petition, to examine the same, and to ascertain from the record of the registration of electors of the county, whether said petition is signed by the requisite number of qualified electors. If required by said clerk, the board of supervisors shall authorize him to employ persons specially to assist him in the work of examining such petition, and shall provide for their compensation. Upon the completion of such examination, said clerk shall forthwith attach to said petition his certificate, properly dated, showing the result thereof; and if, by said certificate, it shall appear that said petition is signed by the requisite number of qualified electors, said clerk shall immediately present said petition to the board of supervisors, if it be in session, otherwise at its next regular meeting after the date of such certificate. Upon the adoption of such ordinance, or the presentation of such petition, said board of supervisors shall order the holding of a special election for the purpose of electing such board of freeholders, which said special election shall be held not less than twenty days nor more than sixty days after the adoption of the ordinance aforesaid or the presentation of said petition to said board of supervisors; provided, that if a general election shall occur in said county not less than twenty days nor more than sixty days after the adoption of the ordinance afore-

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said, or such presentation of said petition to said board of supervisors, said board of freeholders may be elected at such general election. Candidates for election as members of said board of freeholders shall be nominated by petition, substantially in the same manner as may be provided by general law for the nomination, by petition of electors, of candidates for county offices, to be voted for at general elections. It shall be the duty of said board of freeholders, within one hundred and twenty days after the result of such election shall have been declared by said board of supervisors, to prepare and propose a charter for said county, which shall be signed in duplicate by the members of said board of freeholders, or a majority of them, and filed, one copy in the office of the county clerk of said county and the other in the office of the county recorder thereof. Said board of supervisors shall thereupon cause said proposed charter to be published for at least ten times in a daily newspaper of general circulation, printed, published and circulated in said county; provided, that in any county where no such daily newspaper is printed, published and circulated, such proposed charter shall be published for at least three times in at least one weekly newspaper, of general circulation, printed, published and circulated in such county; and provided, that in any county where neither such daily nor such weekly newspaper is printed, published and circulated, a copy of such proposed charter shall be posted by the county clerk in three public places in said county, and on or near the entrance to at least one public schoolhouse in each school district in said county, and the first publication of the posting of such proposed charter shall be made within fifteen days after the filing of a copy thereof, as aforesaid, in the office of the county clerk. Said proposed charter shall be submitted by said board of supervisors to the qualified electors of said county at a special election held not less than thirty days nor more than sixty days after the completion of such publication, or after such posting; provided, that if a general election shall occur in said county not less than thirty days nor more than sixty days after the completion of such publication, or after such posting, then such proposed charter may be so submitted at such general election. If a majority of said qualified electors, voting thereon at such general or special election, shall vote in favor of such proposed charter, it shall be deemed to be ratified, and shall be forthwith submitted to the legislature, if it be in regular session, otherwise at its next regular session, or it may be submitted to the legislature in extraordinary session, for its approval or rejection as a whole, without power of alteration or amendment. Such approval may be made by concurrent resolution, and if approved by a majority vote of the members elected to each house, such charter shall become the charter of such county and shall become the organic law thereof relative to the matters therein provided, and supersede any existing charter framed under the provisions of this section, and all amendments thereof, and shall supersede all laws inconsistent with such charter relative to the matters provided in such charter. A copy of such charter, certified and authenticated by the chairman and clerk of the board of supervisors under the seal of said board and attested by the county clerk of said county, setting forth the submission of such charter to the electors of said county, and its ratification by them, shall, after the approval of such charter by the legislature, be made in duplicate, and filed, one in the office of the secretary of state and the other, after being recorded in the office of the recorder of said county, shall be filed in the office of the county clerk thereof, and thereafter all courts shall take judicial notice of said charter.

The charter, so ratified, may be amended by proposals therefor submitted by the board of supervisors of the county to the qualified electors thereof at a general or special election held not less than thirty days nor more than sixty days after the publication of such proposals for ten times in a daily newspaper of general circulation, printed, published and circulated in said county; provided, that in any county where no such daily newspaper is printed, published and circulated, such proposed charter shall be published for at least three times in at least one weekly newspaper, of general circulation, printed, published and circulated in such county; provided, that in any county where neither such daily nor such weekly newspaper is printed, published and circulated, a copy of such proposed charter shall be posted by the county clerk in three public places in said county, and on or near the entrance to at least one public schoolhouse in each school district in said county. If a majority of such qualified electors voting thereon, at such general or special election, shall vote in favor of any such proposed amendment or amendments, or any amendment or amendments proposed by petition as hereinafter provided, such amendment or amendments shall be deemed to be ratified, and shall be forthwith submitted to the legislature, if it be in regular session, otherwise at its next regular session, or may be submitted to the legislature in extraordinary session, for approval or rejection as a whole, without power of alteration or amendment, and if approved by the legislature, as herein provided for the approval of the charter, such charter shall be amended accordingly. A copy of such amendment or amendments shall, after the approval thereof by the legislature, be made in duplicate, and shall be authenticated, certified, recorded and filed as herein provided for the charter, and with like force and effect. Whenever a petition signed by ten per centum of the qualified electors of any county, computed upon the total number of votes cast in said county for all candidates for governor at the last general election, at which a governor was elected, is filed in the office of the county clerk of said county, petitioning the board of supervisors thereof to submit any proposed amendment or amendments to the charter of such county, which amendment or amendments shall be set forth in full in such petition, to the qualified electors thereof, such petition shall forthwith be examined and certified by the county clerk, and if signed by the requisite number of qualified electors of such county, shall be presented to the said board of supervisors, by the said county clerk, as hereinbefore provided for petitions for the election of boards of freeholders. Upon the presentation of said petition to said board of supervisors, said board must submit the amendment or amendments set forth therein to the qualified electors of said county at a general or special election held not less than thirty days nor more than sixty days after the publication or posting of such proposed amendment or amendments in the same manner as hereinbefore provided in the case of the submission of any proposed amendment or amendments to such charter, proposed and submitted by the board of supervisors. In submitting any such charter, or amendments thereto, any alternative article or proposition may be presented for the choice of the electors, and may be voted on separately without prejudice to others.

Every special election held under the provisions of this section, for the election of boards of freeholders or for the submission of proposed charters, or any amendment or amendments thereto, shall be called by the board of supervisors, by ordinance, which shall specify the purpose and time of such election and shall establish the election precincts and designate the polling places therein, and the names of the election officers for each such precinct. Such ordinance, prior to such election, shall be published five times in a daily newspaper, or twice in a weekly newspaper, if there be no such daily newspaper, printed, published and circulated in said county; provided, that if no such daily or weekly newspaper be printed or published in such county, then a copy of such ordinance shall be posted by the county clerk in three public places in such county and in

or near the entrance to at least one public schoolhouse in each school district therein. In all other respects, every such election shall be held and conducted, the returns thereof canvassed and the result thereof declared by the board of supervisors in the same manner as provided by law for general elections. Whenever boards of freeholders shall be elected, or any such proposed charter, or amendment or amendments thereto, submitted, at a general election, the general laws applicable to the election of county officers and the submission of propositions to the vote of electors, shall be followed in so far as the same may be applicable thereto.

It shall be competent, in all charters, framed under the authority given by this section to provide, in addition to any other provisions allowable by this constitution, and the same shall provide, for the following matters:

1. For boards of supervisors and for the constitution, regulation and government thereof, for the times at which and the terms for which the members of said board shall be elected, for the number of members, not less than three, that shall constitute such boards, for their compensation and for their election, either by the electors of the counties at large or by districts; provided, that in any event said board shall consist of one member for each district, who must be a qualified elector thereof; and

2. For sheriffs, county clerks, treasurers, recorders, license collectors, tax collectors, public administrators, coroners, surveyors, district attorneys, auditors, assessors and superintendents of schools, for the election or appointment of said officers, or any of them, for the times at which and the terms for which said officers shall be elected or appointed, and for their compensation, or for the fixing of such compensation by boards of supervisors, and, if appointed, for the manner of their appointment; and

3. For the number of justices of the peace and constables for each township, or for the number of such judges and other officers of such inferior courts as may be provided by the constitution or general law, for the election or appointment of said officers, for the times at which and the terms for which said officers shall be elected or appointed, and for their compensation, or for the fixing of such compensation by boards of supervisors, and if appointed, for the manner of their appointment; and

4. For the powers and duties of boards of supervisors and all other county officers, for their removal and for the consolidation and segregation of county offices, and for the manner of filling all vacancies occurring therein; provided, that the provisions of such charters relating to the powers and duties of boards of supervisors and all other county officers shall be subject to and controlled by general laws; and

- 4½. For the assumption and discharge by county officers of certain of the municipal functions of the cities and towns within the county, whenever, in the case of cities and towns incorporated under general laws, the discharge by county officers of such municipal functions is authorized by general law, or whenever, in the case of cities and towns organized under section eight of this article, the discharge by county officers of such municipal functions is authorized by provisions of the charters, or by amendments thereto, of such cities or towns.

5. For the fixing and regulation by boards of supervisors, by ordinance, of the appointment and number of assistants, deputies, clerks, attachés and other persons to be employed, from time to time, in the several offices of the county, and for the prescribing and regulating by such boards of the powers, duties, qualifications and compensation of such persons, the times at which, and terms for which they shall be appointed, and the manner of their appointment and removal; and

6. For the compensation of such fish and game wardens, probation and other officers as may be provided by general law, or for the fixing of such compensation by boards of supervisors.

All elective officers of counties, and of townships, of road districts and of highway construction divisions therein shall be nominated and

elected in the manner provided by general laws for the nomination and election of such officers.

All charters framed under the authority given by this section, in addition to the matters herein above specified, may provide as follows:

For offices other than those required by the constitution and laws of the state, or for the creation of any or all of such offices by boards of supervisors, for the election or appointment of persons to fill such offices, for the manner of such appointment, for the times at which and the terms for which such persons shall be so elected or appointed, and for their compensation, or for the fixing of such compensation by boards of supervisors.

For offices hereafter created by this constitution or by general law, for the election or appointment of persons to fill such offices, for the manner of such appointment, for the times at which and the terms for which such persons shall be so elected or appointed, and for their compensation, or for the fixing of such compensation by boards of supervisors.

For the formation, in such counties, of road districts for the care, maintenance, repair, inspection and supervision only of roads, highways and bridges; and for the formation, in such counties, of highway construction divisions for the construction only of roads, highways and bridges; for the inclusion in any such district or division, of the whole or any part of any incorporated city or town, upon ordinance passed by such incorporated city or town authorizing the same, and upon the assent to such inclusion by a majority of the qualified electors of such incorporated city or town, or portion thereof, proposed to be so included, at an election held for that purpose; for the organization, government, powers and jurisdiction of such districts and divisions, and for raising revenue therein, for such purposes, by taxation, upon the assent of a majority of the qualified electors of such districts or divisions, voting at an election to be held for that purpose; for the incurring of indebtedness thereof by such counties, districts or divisions for such purposes respectively, by the issuance and sale, by the counties, of bonds of such counties, districts or divisions, and the expenditure of the proceeds of the sale of such bonds, and for levying and collecting taxes against the property of the counties, districts or divisions, as the case may be, for the payment of the principal and interest of such indebtedness at maturity; provided, that any such indebtedness shall not be incurred without the assent of two thirds of the qualified electors of the county, district or division, as the case may be, voting at an election to be held for that purpose, nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and also for a sinking fund for the payment of the principal thereof on or before maturity, which shall not exceed forty years from the time of contracting the same, and the procedure for voting, issuing and selling such bonds shall, except in so far as the same shall be prescribed in such charters, conform to general laws for the authorizing and incurring by counties of bonded indebtedness, so far as applicable; provided, further, that provisions in such charters for the construction, care, maintenance, repair, inspection and supervision of roads, highways and bridges for which aid from the state is granted, shall be subject to such regulations and conditions as may be imposed by the legislature.

Whenever any county has framed and adopted a charter, and the same shall have been approved by the legislature, as herein provided, the general laws adopted by the legislature in pursuance of sections four and five of this article, shall, as to such county, be superseded by said charter as to matters for which, under this section it is competent to make provision in such charter, and for which provision is made therein, except as herein otherwise expressly provided; and except that any such charter shall not affect the tenure of office of the elective officers of the county, or of any district, township or division thereof, in office at the time such charter goes into effect, and such officers shall continue to hold their respective offices until the expiration of the term for

which they shall have been elected, unless sooner removed in the manner provided by law.

The charter of any county, adopted under the authority of this section, may be surrendered and annulled with the assent of two thirds of qualified electors of such county, voting a special election, held for that purpose, and to be ordered and called by the board of supervisors of the county upon receiving a written petition, signed and certified as hereinabove provided for the purposes of the adoption of charters, requesting said board to submit the question of the surrender and annulment of such charter to the qualified electors of such county, and, in the event of the surrender and annulment of any such charter, such county shall thereafter be governed under general laws in force for the government of counties.

The provisions of this section shall not be applicable to any county that is consolidated with any city.

Section 73, article XI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 73. Any county may frame a charter for its own government consistent with and subject to the constitution (or, having framed such a charter, may frame a new one,) relating to the matters hereinafter in this section specified, and none other, by causing a board of fifteen freeholders, who have been for at least five years qualified electors thereof, to be elected by the qualified electors of said county, at a general or special election. Said board of freeholders may be so elected in pursuance of an ordinance adopted by the vote of three fifths of all the members of the board of supervisors of such county, declaring that the public interest requires the election of such board for the purpose of preparing and proposing a charter for said county, or in pursuance of a petition of qualified electors of said county as hereinafter provided. Such petition, signed by fifteen per centum of the qualified electors of a county, computed upon the total number of votes cast therein for all candidates for governor at the last preceding general election at which a governor was elected, praying for the election of a board of fifteen freeholders to prepare and propose a charter for said county, may be filed in the office of the county clerk. It shall be the duty of said county clerk, within twenty days after the filing of said petition, to examine the same, and to ascertain from the record of the registration of electors of the county, whether said petition is signed by the requisite number of qualified electors. If required by said clerk, the board of supervisors shall authorize him to employ persons specially to assist him in the work of examining such petition, and shall provide for their compensation. Upon the completion of such examination, said clerk shall forthwith attach to said petition his certificate, properly dated, showing the result thereof, and if, by said certificate, it shall appear that said petition is signed by the requisite number of qualified electors, said clerk shall immediately present said petition to the board of supervisors, if it be in session, otherwise at its next regular meeting after the date of such certificate. Upon the adoption of such ordinance, or the presentation of such petition, said board of supervisors shall order the holding of a special election for the purpose of electing such board of freeholders, which said special election shall be held not less than twenty days nor more than sixty days after the adoption of the ordinance aforesaid or the presentation of said petition to said board of supervisors; provided, that if a general election shall occur in said county not less than twenty days nor more than sixty days after the adoption of the ordinance aforesaid, or such presentation of said petition to said board of supervisors, said board of freeholders may be elected at such general election. Candidates for election as members of said board of freeholders shall be nominated by petition, substantially in the same manner as may be provided by general law for the nomination, by petition of electors, of candidates for county offices, to be voted for at general elections.

It shall be the duty of said board of freeholders, within one hundred and twenty days after the result of such election shall have been declared by said board of supervisors, to prepare and propose a charter for said county, which shall be signed in duplicate by the members of said board of freeholders, or a majority of them, and be filed, one copy in the office of the county clerk of said county and the other in the office of the county recorder thereof. Said board of supervisors shall thereupon cause said proposed charter to be published for at least ten times in a daily newspaper of general circulation, printed, published and circulated in said county; provided, that in any county where no such daily newspaper is printed, published and circulated, such proposed charter shall be published for at least three times in at least one weekly newspaper, of general circulation, printed, published and circulated in such county; and provided, that in any county where neither such daily nor such weekly newspaper is printed, published and circulated, a copy of such proposed charter shall be posted by the county clerk in three public places in said county, and on or near the entrance to at least one public schoolhouse in each school district in said county, and the first publication or the posting of such proposed charter shall be made within fifteen days after the filing of a copy thereof, as aforesaid, in the office of the county clerk. Said proposed charter shall be submitted by said board of supervisors to the qualified electors of said county at a special election held not less than thirty days nor more than sixty days after the completion of such publication, or after such posting; provided, that if a general election shall occur in said county not less than thirty days nor more than sixty days after the completion of such publication, or after such posting, then such proposed charter may be so submitted at such general election. If a majority of said qualified electors, voting thereon at such general or special election, shall vote in favor of such proposed charter, it shall be deemed to be ratified, and shall be forthwith submitted to the legislature, if it be in regular session, otherwise at its next regular session, or it may be submitted to the legislature in extraordinary session, for its approval or rejection as a whole, without power of alteration or amendment. Such approval may be made by concurrent resolution, and if approved by a majority vote of the members elected to each house, such charter shall become the charter of such county and shall become the organic law thereof relative to the matters therein provided, and supersede any existing charter framed under the provisions of this section, and all amendments thereof, and shall supersede all laws inconsistent with such charter relative to the matters provided in such charter. A copy of such charter, certified and authenticated by the chairman and clerk of the board of supervisors under the seal of said board and attested by the county clerk of said county, setting forth the submission of such charter to the electors of said county, and its ratification by them, shall, after the approval of such charter by the legislature, be made in duplicate, and filed, one in the office of the secretary of state and the other, after being recorded in the office of the recorder of said county, shall be filed in the office of the county clerk thereof, and thereafter all courts shall take judicial notice of said charter.

The charter, so ratified, may be amended by proposals therefor submitted by the board of supervisors of the county to the qualified electors thereof at a general or special election held not less than thirty days nor more than sixty days after the publication of such proposals for ten times in a daily newspaper of general circulation, printed, published and circulated in said county; provided, that in any county where no such daily newspaper is printed, published and circulated, such proposed charter shall be published for at least three times in at least one weekly newspaper, of general circulation, printed, published and circulated in such county; provided, that in any county where neither such daily nor such weekly newspaper is printed, published and circulated, a copy of such proposed charter shall be posted by the county clerk in three public places in said county, and on or near the entrance to at least one public schoolhouse in each school dis-

trict in said county. If a majority of such qualified electors voting thereon, at such general or special election, shall vote in favor of any such proposed amendment or amendments, or any amendment or amendments proposed by petition as hereinafter provided, such amendment or amendments shall be deemed to be ratified, and shall be forthwith submitted to the legislature, if it be in regular session, otherwise at its next regular session, or may be submitted to the legislature in extraordinary session, for approval or rejection as a whole, without power of alteration or amendment, and if approved by the legislature, as herein provided for the approval of the charter, such charter shall be amended accordingly. A copy of such amendment or amendments shall, after the approval thereof by the legislature, be made in duplicate, and shall be authenticated, certified, recorded and filed as herein provided for the charter, and with like force and effect. Whenever a petition signed by ten per centum of the qualified electors of any county, computed upon the total number of votes cast in said county for all candidates for governor at the last general election, at which a governor was elected, is filed in the office of the county clerk of said county, petitioning the board of supervisors thereof to submit any proposed amendment or amendments to the charter of such county, which amendment or amendments shall be set forth in full in such petition, to the qualified electors thereof, such petition shall forthwith be examined and certified by the county clerk, and if signed by the requisite number of qualified electors of such county, shall be presented to the said board of supervisors, by the said county clerk, as heretofore provided for petitions for the election of boards of freeholders. Upon the presentation of said petition to said board of supervisors, said board must submit the amendment or amendments set forth therein to the qualified electors of said county at a general or special election held not less than thirty days nor more than sixty days after the publication or posting of such proposed amendment or amendments in the same manner as heretofore provided in the case of the submission of any proposed amendment or amendments to such charter, proposed and submitted by the board of supervisors. In submitting any such charter, or amendments thereto, any alternative article or proposition may be presented for the choice of the electors, and may be voted on separately without prejudice to others.

Every special election held under the provisions of this section, for the election of boards of freeholders or for the submission of proposed charters, or any amendment or amendments thereto, shall be called by the board of supervisors, by ordinance, which shall specify the purpose and time of such election and shall establish the election precincts and designate the polling places therein, and the names of the election officers for each such precinct. Such ordinance, prior to such election shall be published five times in a daily newspaper, or twice in a weekly newspaper, if there be no such daily newspaper, printed, published and circulated in said county; provided, that if no such daily or weekly newspaper be printed or published in such county, then a copy of such ordinance shall be posted by the county clerk in three public places in such county and in or near the entrance to at least one public schoolhouse in each school district therein. In all other respects, every such election shall be held and conducted, the returns thereof canvassed and the result thereof declared by the board of supervisors in the same manner as provided by law for general elections. Whenever boards of freeholders shall be elected, or any such proposed charter, or amendment or amendments thereto, submitted, at a general election, the general laws applicable to the election of county officers and the submission of propositions to the vote of electors, shall be followed in so far as the same may be applicable thereto.

It shall be competent, in all charters, framed under the authority given by this section to provide, in addition to any other provisions allowable by this constitution, and the same shall provide, for the following matters:

1. For boards of supervisors and for the constitution, regulation and government thereof, for

the times at which and the terms for which the members of said board shall be elected, for the number of members, not less than three, that shall constitute such boards, for their compensation and for their election, either by the electors of the counties at large or by districts; provided, that in any event said board shall consist of one member for each district, who must be a qualified elector thereof; and

2. For sheriffs, county clerks, treasurers, recorders, license collectors, tax collectors, public administrators, coroners, surveyors, district attorneys, auditors, assessors and superintendents of schools, for the election or appointment of said officers, or any of them, for the times at which and the terms for which, said officers shall be elected or appointed, and for their compensation, or for the fixing of such compensation by boards of supervisors, and, if appointed, for the manner of their appointment; and

3. For the number of justices of the peace and constables for each township, or for the number of such judges and other officers of such inferior courts as may be provided by the constitution or general law, for the election or appointment of said officers, for the times at which and the terms for which said officers shall be elected or appointed, and for their compensation, or for the fixing of such compensation by boards of supervisors, and if appointed, for the manner of their appointment; and

4. For the powers and duties of boards of supervisors and all other county officers, for their removal and for the consolidation and segregation of county offices, and for the manner of filling all vacancies occurring therein; provided, that the provisions of such charters relating to the powers and duties of boards of supervisors and all other county officers shall be subject to and controlled by general laws; and

5. For the fixing and regulation by boards of supervisors, by ordinance, of the appointment and number of assistants, deputies, clerks, attachés and other persons to be employed, from time to time, in the several offices of the county, and for the prescribing and regulating by such boards of the powers, duties, qualifications and compensation of such persons, the times at which, and terms for which they shall be appointed, and the manner of their appointment and removal; and

6. For the compensation of such fish and game wardens, probation and other officers as may be provided by general law, or for the fixing of such compensation by boards of supervisors.

All elective officers of counties, and of townships, of road districts and of highway construction divisions therein shall be nominated and elected in the manner provided by general laws for the nomination and election of such officers.

All charters framed under the authority given by this section, in addition to the matters herein above specified, may provide as follows:

For offices other than those required by the constitution and laws of the state, or for the creation of any or all of such offices by boards of supervisors, for the election or appointment of persons to fill such offices, for the manner of such appointment, for the times at which and the terms for which such persons shall be so elected or appointed, and for their compensation, or for the fixing of such compensation by boards of supervisors.

For offices hereafter created by this constitution or by general law, for the election or appointment of persons to fill such offices, for the manner of such appointment, for the times at which and the terms for which such persons shall be so elected or appointed, and for their compensation, or for the fixing of such compensation by boards of supervisors.

For the formation, in such counties, of road districts for the care, maintenance, repair, inspection and supervision only of roads, highways and bridges; and for the formation, in such counties, of highway construction divisions for the construction only of roads, highways and bridges; for the inclusion in any such district or division, of the whole or any part of any incorporated city or town, upon ordinance passed by such incorporated city or town authorizing the same, and upon the assent to such inclusion by a majority of the qualified electors of such incorpo-

rated city or town, or portion thereof, proposed to be so included, at an election held for that purpose; for the organization, government, powers and jurisdiction of such districts and divisions, and for raising revenue therein, for such purposes, by taxation, upon the assent of a major of the qualified electors of such districts or divisions, voting at an election to be held for that purpose; for the incurring of indebtedness therefor by such counties, districts or divisions for such purposes respectively, by the issuance and sale, by the counties, of bonds of such counties, districts or divisions, and the expenditure of the proceeds of the sale of such bonds, and for levying and collecting taxes against the property of the counties, districts or divisions, as the case may be, for the payment of the principal and interest of such indebtedness at maturity; provided, that any such indebtedness shall not be incurred without the assent of two thirds of the qualified electors of the county, district or division, as the case may be, voting at an election to be held for that purpose, nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and also for a sinking fund for the payment of the principal thereof on or before maturity, which shall not exceed forty years from the time of contracting the same, and the procedure for voting, issuing and selling such bonds shall, except in so far as the same shall be prescribed in such charters, conform to general laws for the authorizing and incurring by counties of bonded indebtedness, so far as applicable; provided, further, that provisions in such charters for the construction, care, maintenance, repair, inspection and supervision of roads, highways and bridges for which aid from the state is granted, shall be subject to such regulations and conditions as may be imposed by the legislature.

Whenever any county has framed and adopted a charter, and the same shall have been approved by the legislature, as herein provided, the general laws adopted by the legislature in pursuance of sections four and five of this article, shall, as to such county, be superseded by said charter as matters for which, under this section it is competent to make provision in such charter, and for which provision is made therein, except as herein otherwise expressly provided, and except that any such charter shall not affect the tenure of office of the elective officers of the county, or of any district, township or division thereof, in office at the time such charter goes into effect, and such officers shall continue to hold their respective offices until the expiration of the term for which they shall have been elected, unless sooner removed in the manner provided by law.

The charter of any county, adopted under the authority of this section, may be surrendered and annulled with the assent of two thirds of the qualified electors of such county, voting at a special election, held for that purpose, and to be ordered and called by the board of supervisors of the county upon receiving a written petition, signed and certified as hereinabove provided for the purposes of the adoption of charters, requesting said board to submit the question of the surrender and annulment of such charter to the qualified electors of such county, and, in the event of the surrender and annulment of any such charter, such county shall thereafter be governed under general laws in force for the government of counties.

The provisions of this section shall not be applicable to any county that is consolidated with any city.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 60.

The change here proposed is slight but highly important. Section 74 of article XI of the constitution, making provision for county charters, was adopted by the people in 1911. Two counties, Los Angeles and San Bernardino, have availed themselves of its authorization. The general principle of the section is so sound and has been indorsed so recently by the people of this state, that no argument in its favor is necessary.

But, to make the section available to counties composed of a mixed urban and rural population, especially counties containing several incorporated municipalities, slight changes in its provisions seem indispensable.

The change here contemplated is contained in the paragraph numbered 4½, which reads as follows:

"Section 4½. For the assumption and discharge by county officers of certain of the municipal functions of the cities and towns within the county, whenever, in the case of cities and towns incorporated under general laws, the discharge by county officers of such municipal functions is authorized by general law, or whenever, in the case of cities and towns organized under section eight of this article, the discharge by county officers of such municipal functions is authorized by provisions of the charters, or by amendments thereto, of such cities or towns."

The counterpart of this provision is to be found in Assembly Constitutional Amendment No. 81, where cities are authorized to delegate certain of their functions to county officers. There are two classes of cities in California: (1) those organized under general laws, and (2) those operating under freeholders' charters. For the discharge of any municipal functions by county officials, the provisions of this amendment, as well as those of Assembly Constitutional Amendment No. 81, authorize the legislature to take action with reference to the former class of cities, and for

the local communities themselves to take action in the case of the latter class.

The adoption of the change here proposed will permit the welding together of all the people of the county in carrying out such matters as are of common interest. In counties containing but one or two or three municipalities, it will work towards economy in the administration of public affairs. In a county where there are a number of municipalities and where a large proportion of the population is urban, the proposed change opens the door to practical consolidation of a county and the cities within its borders in the administration of their common business, while leaving each city as an entirely distinct and independent political unit.

There is nothing in this amendment which trenches upon the county's position as a political division of the state. The state's interests in the administration of its affairs, through counties, are left unimpaired. The whole aim and purpose of the change proposed is to allow the people of the several counties to organize their government, whether of the county type or of the city type, in the interest of the most efficient and economical administration. At the same time, there is nothing compulsory on any municipality to surrender to a county official the discharge of any function except upon its most deliberate determination.

WM. C. CLARK.

Assemblyman Thirty-seventh District.

HERBERT W. SLATER.

Assemblyman Thirteenth District.

REGULATION OF PUBLIC UTILITIES.

Assembly Constitutional Amendment 62 amending section 23 of article XII of constitution.

Present section unchanged except in following particulars: Railroad commission given exclusive power to fix public utility rates in all incorporated municipalities; such municipalities, by vote of majorities thereof, may retain that control over public utilities which relates to local, police, sanitary, and other regulations only, or surrender same to railroad commission; omits provision authorizing such municipalities to reinvest themselves with powers so surrendered; declares right of incorporated municipalities to grant public utility franchises not affected by section.

Assembly Constitutional Amendment No. 62, a resolution to propose to the people of the State of California an amendment to the Constitution of the State of California by amending section 23 of article XII, relating to public utilities, their supervision and regulation.

The legislature of the State of California at its regular session commencing on the 6th day of January, in the year one thousand nine hundred and thirteen, two thirds of all the members elected to each of the two houses of said legislature voting in favor thereof, hereby proposes to the qualified electors of the State of California, the following amendment to the Constitution of the State of California so that section 23 of article XII of said Constitution shall read as follows:

PROPOSED LAW.

Section 23. Every private corporation, and every individual or association of individuals, owning, operating, managing, or controlling any commercial railroad, interurban railroad, street railroad, canal, pipe line, plant, or equipment, or any part of such railroad, canal, pipe line, plant or equipment within this state, for the transportation or conveyance of passengers, or express matter, or freight of any kind, including crude oil, or for the transmission of telephone or telegraph messages, or for the production, generation, transmission, delivery or furnishing of heat, light, water or power or for the furnishing of storage or wharfage facilities, either directly or indirectly, to or for the public, and every common carrier, is hereby declared to be a public utility subject to such control and regulation by the railroad commission as may be provided by the legislature, and every class of private corporations, individuals, or associations of indi-

viduals hereafter declared by the legislature to be public utilities shall likewise be subject to such control and regulation. The railroad commission shall have and exercise such power and jurisdiction to supervise and regulate public utilities, in the State of California, and to fix the rates to be charged for commodities furnished, or services rendered by public utilities as shall be conferred upon it by the legislature, and the right of the legislature to confer powers upon the railroad commission respecting public utilities is hereby declared to be plenary and to be unlimited by any provision of this constitution. From and after the passage by the legislature of laws conferring powers upon the railroad commission respecting public utilities, all powers respecting such public utilities vested in boards of supervisors, or municipal councils, or other governing bodies of the several counties, cities and counties, cities and towns, in this state, or in any commission created by law and existing at the time of the passage of such laws, shall cease so far as such powers shall conflict with the powers so conferred upon the railroad commission; provided, however, that this section shall not affect such powers of control over public utilities as relate to the making and enforcement of local, police, sanitary and other regulations, other than the fixing of rates, vested in any city and county or incorporated city or town as, at an election to be held pursuant to law, a majority of the qualified electors of such city and county, or incorporated city or town, voting thereon, shall vote to retain, and until such election such powers shall continue unimpaired; but if the vote so taken shall not favor the continuation of such powers they shall thereafter vest in the railroad commission as provided by law; and provided, further, that where any such city and county or incorporated city or town shall have elected to continue any of its powers to

make and enforce such local, police, sanitary and other regulations, other than the fixing of rates, it may, by vote of a majority of its qualified electors voting thereon, thereafter surrender such powers to the railroad commission in the manner prescribed by the legislature; and provided, further, that this section shall not affect the right of any city and county or incorporated city or town to grant franchises for public utilities upon the terms and conditions and in the manner prescribed by law. Nothing in this section shall be construed as a limitation upon any power conferred upon the railroad commission by any provision of this constitution now existing or adopted concurrently herewith.

Section 23, article XII, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 23. Every private corporation, and every individual or association of individuals, owning, operating, managing, or controlling any commercial railroad, interurban railroad, street railroad, canal, pipe line, plant, or equipment, or any part of such railroad, canal, pipe line, plant or equipment within this state, for the transportation or conveyance of passengers, or express matter, or freight of any kind, including crude oil, or for the transmission of telephone or telegraph messages, or for the production, generation, transmission, delivery or furnishing of heat, light, water or power, or for the furnishing of storage or wharfage facilities, either directly or indirectly, to or for the public, and every common carrier, is hereby declared to be a public utility subject to such control and regulation by the railroad commission as may be provided by the legislature, and every class of private corporations, individuals, or associations of individuals hereafter declared by the legislature to be public utilities shall likewise be subject to such control and regulation. The railroad commission shall have and exercise such power and jurisdiction to supervise and regulate public utilities, in the State of California, and to fix the rates to be charged for commodities furnished, or services rendered by public utilities as shall be conferred upon it by the legislature, and the right of the legislature to confer powers upon the railroad commission respecting public utilities is hereby declared to be plenary and to be unlimited by any provision of this constitution.

From and after the passage by the legislature of laws conferring powers upon the railroad commission respecting public utilities, all powers respecting such public utilities vested in boards of supervisors, or municipal councils, or other governing bodies of the several counties, cities and counties, cities and towns, in this state, or in any commission created by law and existing at the time of the passage of such laws, shall cease so far as such powers shall conflict with the powers so conferred upon the railroad commission; provided, however, that this section shall not affect such powers of control over any public utility vested in any city and county, or incorporated city or town as, at an election to be held pursuant to laws to be passed hereafter by the legislature, a majority of the qualified electors voting thereon of such city and county, or incorporated city or town, shall vote to retain, and until such election such powers shall continue unimpaired; but if the vote so taken shall not favor the continuation of such powers they shall thereafter vest in the railroad commission as provided by law; and provided, further, that where any such city and county or incorporated city or town shall have elected to continue any powers respecting public utilities, it may, by vote of a majority of its qualified electors voting thereon, thereafter surrender such powers to the railroad commission in the manner to be prescribed by the legislature; or if such municipal corporation shall have surrendered any powers to the railroad commission, it may, by like vote, thereafter reinvest itself with such power. Nothing in this section shall be

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construed as a limitation upon any power conferred upon the railroad commission by any provision of this constitution now existing or adopted concurrently herewith.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 62.

At the special election held on October 10, 1911, the people voted almost unanimously to give to the railroad commission control over all public service corporations in the state, except in certain matters within incorporated cities. That action has been fully justified by the results attained in less than three years. Intelligent investigation and action by the commission has brought about reductions in rates and improvements in service rendered by all classes of public utilities.

The system is still imperfect, however, in that it leaves certain powers to be exercised by incorporated cities which can better be exercised by the commission. The result has been confusion and uncertainty as to where the commission's jurisdiction ends and a city's jurisdiction begins. It happens more often than otherwise that a public utility, for example, a gas company, will serve patrons inside and outside an incorporated city. The lines serving the suburban population constitute a part of the city plant, and while there is but one public utility and but one plant, under our present system of regulation there are two rate-making powers, the legislative body of the city, fixing rates as to the portion of the plant within the city limits, and the railroad commission, fixing rates as to the portion outside the city limits. Wholly unnecessary confusion is the inevitable result.

It is proposed by this amendment to at once vest in the railroad commission all of the rate-fixing powers now exercised by incorporated cities. There can be absolutely no sound argument against the policy of statewide control of public service corporations; the policy is uniformly considered to be a wise one and has justified itself in every state where it has been tested. Nowhere has this been so convincingly demonstrated as in California. Since the commission has been vested with the power it now has outside of incorporated cities, it has decided hundreds of cases and in less than half a dozen have its decisions been questioned, while, upon the other hand, it rarely happens that a rate fixed by a local body is not attacked in court and in perhaps the majority of cases successfully.

Experience in other states has shown that the engineering force and the corps of experts required to ascertain the facts necessary for intelligent action on the part of the regulating body, are more efficient if they have to deal with every public utility in the state, regardless of its size or the size of the city in which it operates. There is also economy in the system proposed, since the same experts who serve one city will serve every city in the state, and the cities will thus be relieved of the necessity of employing high-salaried experts and assistants. Furthermore, the system will remove public utilities from the sphere of local politics. Again, the action of an impartial central body is more intelligent and just than the actions of the governing bodies of the cities concerned.

It is believed by the proponents of this amendment that it will bring about scientific regulation of public utilities throughout the state, and it should be adopted.

W. A. SUTHERLAND,
Assemblyman Fifth-first District.
ALFRED MORGENSTERN,
Assemblyman Thirty-fifth District.

INCORPORATION OF MUNICIPALITIES.

Assembly Constitutional Amendment 81 amending section 6 of article XI of constitution.

Present section unchanged except in following particulars: Legislature may provide that county officers shall perform municipal functions of municipalities incorporated under general laws when factors thereof so determine; municipalities hereafter organized under charters, and those heretofore so organized, when empowered by charter amendment, may legislate respecting municipal affairs, subject only to charter restrictions; in other matters they are subject to general laws; municipal charters may require county officers to perform municipal functions whenever general laws or county charter authorize such performance.

Assembly Constitutional Amendment No. 81, a resolution to propose to the people of the State of California an amendment to section six of article eleven of the Constitution of the State of California relating to municipal corporations.

The legislature of the State of California, at its regular session commencing on the sixth day of January, 1913, two thirds of the members elected to each of the two houses of said legislature voting in favor thereof, hereby proposes that section six of article XI of the Constitution of the State of California be amended to read as follows:

PROPOSED LAW.

Section 6. Corporations for municipal purposes shall not be created by special laws; but the legislature shall, by general laws, provide for the incorporation, organization, and classification, in proportion to population, of cities and towns, which laws may be altered, amended, or repealed; and the legislature may, by general laws, provide for the performance by county officers of certain of the municipal functions of cities and towns so incorporated, whenever a majority of the electors of any such city or town voting at a general or special election shall so determine. Cities and towns heretofore organized or incorporated may become organized under the general laws passed for that purpose, whenever a majority of the electors voting at a general election shall so determine, and shall organize in conformity therewith. Cities and towns hereafter organized under charters framed and adopted by authority of this constitution are hereby empowered, and cities and towns heretofore organized by authority of this constitution may amend their charters in the manner authorized by this constitution so as to become likewise empowered hereunder, to make and enforce all laws and regulations in respect to municipal affairs, subject only to the restrictions and limitations provided in their several charters, and in respect to other matters they shall be subject to and controlled by general laws. Cities and towns heretofore or hereafter organized by authority of this constitution may, by charter provision or amendment, provide for the performance by county officers of certain of their municipal functions, whenever the discharge of such municipal functions by county officers is authorized by general laws or by the provisions of a county charter framed and adopted by authority of this constitution.

Section 6, article XI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 6. Corporations for municipal purposes shall not be created by special laws; but the legislature, by general laws, shall provide for the incorporation, organization, and classification, in proportion to population, of cities and towns, which laws may be altered, amended, or repealed. Cities and towns heretofore organized or incorporated may become organized under such general laws whenever a majority of the electors voting at a general election shall so determine, and shall organize in conformity therewith; and cities and towns heretofore or hereafter organized, and all charters thereof framed or adopted by authority of this constitution, except in municipal affairs, shall be subject to and controlled by general laws.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 81.

The purpose of this amendment is to make effective section 6 of article XI of the constitution as amended in 1896. Section 6 as originally adopted in 1879, while purporting to secure municipal home rule, provided that all city charters should be subject to and controlled by general laws. The supreme court pointed out that local government was being constantly "frittered away" by laws enacted by the legislature, so that freeholders' charters were giving only the semblance and not the substance of self-government. Accordingly, the words "except in municipal affairs" were inserted by amendment in 1896, with the intent and purpose to exempt municipalities from the operation of general legislation in strictly municipal matters. But the revision was so ill-phrased that the supreme court was compelled to hold that the only way for a city to gain the advantage intended by the amendment of 1896 was to incorporate each and every possible municipal affair in its charter. An illogical and impracticable task was set before the cities of the state, and the attempt to work it out has resulted in long and cumbersome charters.

The amendment now submitted proposes to relieve this situation and to apply a just and logical remedy. While reserving to the state legislature exclusive control over matters of general concern, it grants to cities and towns jurisdiction in all municipal affairs without need of specifying them in the charter. Of course, if a city should attempt to transcend the limits of a "municipal affair," its act will be declared void, for the determination of what are "municipal affairs" and what are "state affairs" will remain, as now, a matter for judicial construction.

In order to run no risk of endangering or demoralizing the present status of chartered cities, it is distinctly provided that this grant of jurisdiction in municipal affairs shall be self-executing only in the case of charters to be hereafter framed and adopted. With regard to existing charters, it will be necessary for them to be expressly revised in order to come under the operation of this amendment.

Another feature of the proposed amendment, conceived in the interest of efficiency and economy, is to make possible a general law or county charter which will authorize the performance of certain municipal functions by county officers, whenever the electors of the city concerned shall duly and properly register their desire to that effect. It is intended that this shall work in with the provisions of section 14 of article XI relating to county charters.

The amendment as a whole is designed, in accordance with the best thought and practice of the day, to encourage municipalities to proceed unhampered in the development of measures of local and municipal concern. The sovereignty and integrity of the state, acting through the legislature and by direct legislation on the part of the people, is rigidly safeguarded, while local enterprise and initiative in local matters is directly authorized.

WM. C. CLARK,

Assemblyman Thirty-seventh District.

W. A. JOHNSTON,

Assemblyman Sixty-eighth District.

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IRRIGATION DISTRICTS CONTROLLING INTERNATIONAL WATER SYSTEMS.

Assembly Constitutional Amendment 84 amending section 31 of article IV.

Present section unchanged, but proviso added authorizing irrigation districts, for purpose of acquiring control of any entire international water system situated partly in United States and partly in foreign country, and necessary for its use and purposes, to acquire, in manner authorized by law, the stock of any foreign corporation which owns or holds title to the part thereof situated in a foreign country.

Assembly Constitutional Amendment No. 84, a resolution to propose to the people of the State of California an amendment to the Constitution of the State of California by amending section 31 of article IV (4), relating to irrigation districts.

The legislature of the State of California at its regular session commencing on the 6th day of January, in the year one thousand nine hundred and thirteen, two thirds of all the members elected to each of the two houses of said legislature voting in favor thereof, hereby proposes to the qualified electors of the State of California, the following amendment to the Constitution of the State of California so that section 31 of article IV of said constitution shall read as follows:

PROPOSED LAW.

Section 31. The legislature shall have no power to give or to lend, or to authorize the giving or lending, of the credit of the state, or of any county, city and county, city, township, or other political corporation or subdivision of the state now existing, or that may be hereafter established, in aid of or to any person, association, or corporation, whether municipal or otherwise, or to pledge the credit thereof, in any manner whatever, for the payment of the liabilities of any individual, association, municipal or other corporation whatever; nor shall it have power to make any gift, or authorize the making of any gift, of any public money or thing of value to any individual, municipal or other corporation whatever; provided, that nothing in this section shall prevent the legislature granting aid pursuant to section twenty-two of this article; and it shall not have power to authorize the state or any political subdivision thereof, to subscribe for stock, or to become a stockholder in any corporation shall prevent the legislature granting aid pursuant to section twenty-two of this article; and it shall not have power to authorize the state, or any political subdivision thereof, to subscribe for stock, or to become a stockholder in any corporation whatever; provided, further, that irrigation districts for the purpose of acquiring the control of any entire international water system necessary for its use and purposes, a part of which is situated in the United States, and a part thereof in a foreign country, may in the manner authorized by law, acquire the stock of any foreign corporation which is the owner of, or which holds the title to the part of such system situated in a foreign country.

VALUATION OF CONDEMNED PUBLIC UTILITIES BY RAILROAD COMMISSION.

Assembly Constitutional Amendment 87 adding section 23a to article XII of constitution.

Authorizes railroad commission to exercise such power as shall be conferred upon it by legislature to fix compensation paid for property of public utility condemned by state, county, municipality or municipal water district; declares right of legislature to confer such powers upon railroad commission to be plenary and unlimited by any constitutional provision; and confirms all acts of legislature in accordance herewith heretofore adopted.

Assembly Constitutional Amendment No. 87, a resolution to propose to the people of the State of California an amendment of the Constitution of the State of California by adding a new section to article XII thereof, to be numbered section 23a, in relation to the power of the railroad commission to fix the just compensation to be paid for the taking of any property of any public utilities in eminent domain proceedings.

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Section 31, article IV, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 31. The legislature shall have no power to give or to lend, or to authorize the giving or lending, of the credit of the state, or of any county, city and county, city, township, or other political corporation or subdivision of the state now existing, or that may be hereafter established, in aid of or to any person, association, or corporation, whether municipal or otherwise, or to pledge the credit thereof in any manner whatever, for the payment of the liabilities of any individual, association, municipal or other corporation whatever; nor shall it have power to make any gift, or authorize the making of any gift, of any public money or thing of value to any individual, municipal or other corporation whatever; provided, that nothing in this section shall prevent the legislature granting aid pursuant to section twenty-two of this article; and it shall not have power to authorize the state, or any political subdivision thereof, to subscribe for stock, or to become a stockholder in any corporation whatever.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 84.

The amendment consists in adding the proviso that irrigation districts may own stock in a foreign corporation where such ownership is necessary to acquire control of any international water system. This amendment affects only Imperial Irrigation District. The canal system by which water is furnished to this community, owing to the configuration of the country, has its heading on the Colorado river in California, runs thence for forty miles through Mexico and then back into the United States, furnishing water for irrigation of five hundred thousand acres in Imperial county. Neither an irrigation district nor an American corporation can own a canal in that part of Mexico. In order to control this canal, which is absolutely necessary, the ownership of the portion in Mexico must rest in a Mexican corporation and the irrigation district must be permitted to own the stock in the Mexican corporation, which is forbidden as our constitution stands without the amendment. The only effect of the amendment is to permit the Imperial people to control their own water system in spite of the international complications involved. Other communities are neither interested nor affected.

H. W. MOORHOUSE,

Assemblyman Seventy-eighth District.

The legislature of the State of California at its regular session commencing on the 6th day of January, 1913, two thirds of all of the members elected to each of the two houses of the said legislature voting in favor thereof, hereby proposes an amendment to the Constitution of the State of California by adding a new section to article XII thereof to be numbered section 23a of article XII, to read as follows:

PROPOSED LAW.

Section 23a. The railroad commission shall have and exercise such power and jurisdiction as shall be conferred upon it by the legislature to fix the just compensation to be paid for the taking of any property of a public utility in eminent domain proceedings by the state or any county, city and county, incorporated city or town, or municipal water district, and the right of the legislature to confer such powers upon the railroad commission is hereby declared to be plenary and to be unlimited by any provision of this constitution. All acts of the legislature heretofore adopted, which are in accordance herewith, are hereby confirmed and declared valid.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 87.

The state legislature, at its last session, adopted an act authorizing the state railroad commission to determine the just compensation to be paid by any county, city and county, incorporated city or town or municipal water district for the acquisition, in eminent domain proceedings, of any public utility desired to be acquired and operated by such county, city and county, incorporated city or town or municipal water district. The act makes it optional with such local subdivisions to either so call upon the railroad commission to determine this compensation or to have the same determined by a jury.

The reason for passing this law was that the railroad commission is in an ideal position to fix such values of public utilities. It has many trained experts whose business it is to fix such values at the present time for rate making and other purposes. The machinery is there and it was thought that an accurate and scientific ascertaining of values might be had from such a body. Considerable time and expense will thus

be saved to the community seeking to acquire its own public utilities.

Several of the smaller cities have taken advantage of this law and asked the railroad commission to so assist them. It was thought the law was constitutional, but some question was suggested and, therefore, as an extra precaution the legislature submitted this constitutional amendment approving and ratifying the act and authorizing the adoption of any similar acts.

Since the adjournment of the legislature the state supreme court has, in the case of the *Pacific Telephone and Telegraph Company vs. Eshleman, et al.*, Vol. No. 46, Cal. Dec., p. 551, decided, in effect, that such an act is valid under the present constitution. However, the adoption of this amendment will make even more certain the validity of such legislation adopted for the benefit of all the incorporated cities and towns and municipal water districts throughout the state.

If it is urged that this amendment will conflict with the provision of the federal constitution guaranteeing trial by jury, the answer is that this guarantee does not apply to suits in state courts but only to actions in federal courts. The United States supreme court has so held in the following cases: *Edwards vs. Elliott*, 88 U. S. 532; *Livingston vs. Moore*, 32 U. S. 551; *Walker vs. Sauvinet*, 22 U. S. 90. The same court has also held that this provision of the federal constitution applies only to common law actions and not to proceedings in eminent domain such as are contemplated by the proposed amendment. *United States vs. Jones*, 109 U. S. 513; *Long Island, etc., Company vs. Brooklyn*, 166 U. S. 694; *Bauman vs. Eoss*, 167 U. S. 548.

W. A. SUTHERLAND,
Assemblyman Fifty-first District.
J. H. GULL, JR.,
Assemblyman Seventh District.

CONSTITUTIONAL CONVENTIONS.

Assembly Constitutional Amendment 83 amending section 2 of article XVIII of constitution.

Present section unchanged except in following particulars: provides that delegates to constitutional conventions shall be nominated at non-partisan primary election as prescribed by legislature, those receiving majority vote thereat being elected, otherwise two highest candidates (or more if tied) being only candidates at further election; authorizes legislature to submit for adoption by electors other plans for selecting delegates; provides that convention shall meet within nine months after election, and may submit new constitution or amendments or revisions of that existing, as alternative propositions or otherwise.

Assembly Constitutional Amendment No. 88, a resolution to propose to the people of the State of California an amendment to section 2 of article XVIII of the Constitution of the State of California relating to convention for revising the Constitution of the State of California.

The legislature of the State of California, at its regular session commencing on the sixth day of January, 1913, two thirds of the members elected to each of the two houses of said legislature voting in favor thereof, hereby proposes that section 2 of article XVIII of the Constitution of the State of California be amended to read as follows:

PROPOSED LAW.

Section 2. Whenever two thirds of the members elected to each branch of the legislature shall deem it necessary to revise this constitution, they shall recommend to the electors to vote at the next general election for or against a convention for that purpose, and if a majority of the electors voting at such election on the proposition for a convention shall vote in favor thereof, the legislature shall, at its next session, provide by law for calling the same. In so providing for calling such convention, the legislature shall make provision for the election of delegates not to exceed in number that of both

branches of the legislature who shall, except as herein provided, be chosen in the same manner and have the same qualifications as members of the legislature. Each of the delegates shall be considered as elected to a separate office. All delegates shall be nominated at a non-partisan primary election and not otherwise and may also be finally elected at such non-partisan primary election as hereinafter provided. Said non-partisan primary election shall be held as the legislature may direct, either at the time of holding any other primary election or at any general or special election or at an election to be called for that purpose. The legislature shall provide the manner in which all candidates shall obtain a place on the ballot at said non-partisan primary election. A candidate for any such office, receiving a majority of the votes cast at said non-partisan primary election for all the candidates for that office shall be declared elected. If at said non-partisan primary election there be any office to which no person was so elected, then as to such office that election shall be considered to have been merely a primary election for the nomination of candidates, and a further election shall be held to fill said office, and the two candidates, or less if so there be, who received the highest number of votes for such office at said non-partisan primary election, shall be the only

candidates at such further election; provided, that if there be any person who, under the foregoing provisions, would have been entitled to become a candidate for such office except for the fact that some other candidate received an equal number of votes therefor, then all such persons receiving such equal number of votes shall likewise become candidates for that office. The candidate for any such office who shall receive the highest number of votes at such further election shall be declared elected to such office. Without the constitution being amended the legislature may, by resolution submitted to the electors of the state in the same manner that a proposed amendment to the constitution is submitted by the legislature, provide for any other plan for nominating and electing any delegates to any such convention. The delegates so elected shall meet within nine months after their election at such place as the legislature may direct. At a special election to be provided for by law, any amendments, alterations, revisions or new constitution, in any form that may be directed by such convention, either as alternative articles or propositions or otherwise, shall be submitted to the people for their ratification or rejection, in such manner as the convention may determine. The returns of such election shall, in such manner as the convention shall direct, be certified to the executive of the state, who shall call to his assistance the controller, treasurer, and secretary of state, and compare the returns so certified to him; and it shall be the duty of the executive to declare, by his proclamation, such revised constitution, as may have been ratified by a majority of all the votes cast at such special election, to be the Constitution of the State of California.

Section 2, article XVIII, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 2. Whenever two thirds of the members elected to each branch of the legislature shall deem it necessary to revise this constitution, they shall recommend to the electors to vote, at the next general election, for or against a convention for that purpose, and if a majority of the electors voting at such election on the proposition for a convention shall vote in favor thereof, the legislature shall, at its next session, provide by law for calling the same. *The convention shall consist of a number of delegates not to exceed that of both branches of the legislature, who shall be chosen in the same manner, and have the same qualifications, as members of the legislature. The delegates so elected shall meet within three months after their election, at such place as the legislature may direct. At a special election to be provided for by law, the constitution that may be agreed upon by such convention shall be submitted to the people for their ratification or rejection, in such manner as the convention may determine. The returns of such election shall, in such manner as the convention shall direct, be certified to the executive of the state, who shall call to his assistance the controller, treasurer, and secretary of state, and compare the returns so certified to him; and it shall be the duty of the executive to declare, by his proclamation, such constitution as may have been ratified by a majority of all the votes cast at such special election, to be the Constitution of the State of California.*

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 88.

When the question of calling a convention to revise our present state constitution was before the last legislature for consideration, certain radical defects both as to the method of choosing

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delegates to and the powers of such a convention were discovered. This amendment corrects such defects. It was heartily supported both by those who opposed a convention at this time (including the author of this amendment) and by those favoring such a convention (including the author of that proposition).

The defects corrected are:

First—A non-partisan method of selecting delegates is substituted for a partisan one.

By requiring their election in the same manner as members of the legislature, the present wording necessitates the election of delegates as partisans—Progressive, Republican, Democratic or what not. The same compelling reason that now requires the non-partisan selection of freeholders to frame a city charter still more demands that the framers of a new constitution shall be so selected.

The method of selection is the so-called "Berkeley" plan, now in force in San Francisco, Sacramento, Berkeley and other cities. If one candidate gets a majority of all the votes cast at the first, or primary, election, he is thereby elected. If no one so gets a majority the two highest fight it out at the second election. However, if any other plan of selecting delegates shall hereafter seem better, the legislature submitting the question of a convention can, at the same time, submit such other plan, which if approved is used for such convention without necessitating a change in the constitution.

Second—The time within which the convention must meet after the election of delegates is changed from "three" to "nine" months.

In order that the attention of the people of the state be focussed on the work of such an important convention, it should not be held during a session of the legislature. The only way this could be avoided under the present provision would be to hold two special elections for the nomination and election of such delegates, thereby involving a public expense of at least half a million dollars, which could be saved under the "nine months" provision by utilizing the regular elections.

Third—Proper powers are given the convention.

Under the present provision, the convention can do but one thing—submit for adoption or rejection one entire, complete constitution. A constitution, desirable on the whole, may be defeated through containing some one provision upon which the voters differ from the convention, and so the whole work and expense of the convention go for naught. The added power to submit alternative propositions (already possessed by city charter framers) makes possible the approval or rejection of a doubtful provision without endangering the constitution as a whole.

It is further made possible (as is now the case in many states) for the convention to submit its work in the form of separate amendments, thus giving the people a chance to vote on each separate amendment.

Out of the thirty-five states providing for constitutional conventions, but four place such limits on their powers as does California.

WM. C. CLARK,
Assemblyman Thirty-seventh District.
HENRY WARD BROWN,
Assemblyman Forty-second District.

MINIMUM WAGE.

Assembly Constitutional Amendment 90 adding section 17½ to article XX of constitution.

Authorizes legislature to provide for establishment of minimum wage for women and minors, and for comfort, health, safety and general welfare of any and all employees; declares that no constitutional provision shall be construed as limiting authority of legislature to confer upon any commission now or hereafter created such power as legislature deems requisite to accomplish provisions of this section.

Assembly Constitutional Amendment No. 90, a resolution to propose to the people of the State of California an amendment to the Constitution of the State of California by adding to article XX, a new section to be numbered 17½ relating to the conditions of labor and welfare of employees.

The legislature of the State of California, at its regular session commencing on the sixth day of January, 1913, two thirds of the members elected to each of the two houses of the said legislature voting in favor thereof, hereby proposes an amendment to the Constitution of the State of California by adding to article XX thereof a new section to be numbered as 17½ to read as follows:

PROPOSED LAW.

Section 17½. The legislature may, by appropriate legislation, provide for the establishment of a minimum wage for women and minors and may provide for the comfort, health, safety and general welfare of any and all employees. No provision of this constitution shall be construed as a limitation upon the authority of the legislature to confer upon any commission now or hereafter created, such power and authority as the legislature may deem requisite to carry out the provisions of this section.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 90.

The legislature of 1913 passed an act creating an Industrial Welfare Commission, whose duties are to carefully investigate the wages paid, conditions of work, the hours, and general welfare of the working women and children of California. Following this investigation, the commission, after conferences with employers and employees, may determine and fix the minimum wage for women and minors in any industry or occupation in California. This minimum wage must be based upon the cost of proper living.

In 1911 bills were passed controlling the hours of women's and children's work, and it was obvious that the work was less than half done unless the other two minimum rules of industrial life were also made to protect this weakest and most helpless class; that is, that the safety and the sanitary conditions in which women worked should be controlled, and, what was more important, that they should be certain of a living wage—a wage that insures for them the necessary shelter, wholesome food and sufficient clothing. We know that the absence of this is the cause of ill health, lack of strength for a good motherhood, and frequently degeneracy and prostitution for the weakest. It has been shown many times by careful investigators that in the older and more populous industrial centers the long periods of non-employment in seasonal industries which pay small wages are always accompanied by a large influx of girls to the ranks of the prostitute because of actual want.

Our conditions in California are comparatively good, yet from the statistics of the Bureau of Labor we find that forty per cent of the women and girls employed in our great state to-day receive less than \$9.00 per week. This is much better than the older industrial states, but the fact remains that fully 15,000 women in this

state are receiving under that sum. Is \$4.00, \$5.00, \$6.00, \$7.00, or \$8.00 a week enough to provide a growing woman with proper living? The work of the Industrial Welfare Commission is to find out what proper living costs. What it really costs to house, feed and clothe a woman dependent upon herself in the different parts of California; to find out what are the actual conditions of her employment and to investigate into the health, safety and welfare of the workshops. When this investigation has been made, which must take place in this great state, the commission may determine the minimum wages, length of periods of apprenticeship, and hours of labor, not to exceed the limit prescribed by law, which is eight hours in some industries.

The most powerful reason for action at this time is to get the wage fixed before the opening of the Panama canal, when the great horde of cheap labor from southern Europe will come to lower the California standard of living and tend to bring the American and native born down to living conditions entirely foreign to us and to the California ideal of necessary comfort.

Many employers in California pay good wages and desire proper conditions for their employees, and many succeed in giving these conditions now, but less kindly employers undersell the better ones because they pay lower wages. These unfair employers will be compelled to come up to the standard set by the commission after its investigations, and thus be placed in a position where they will be on the same competitive basis as the employers who are to-day giving their employees proper living and working conditions.

With adequate food and comfortable housing, the workers will be more efficient and can give better value for the money received.

Interstate competition will not be a considerable factor, as Oregon and Washington have similar commissions, and are controlling their conditions of industry as in California.

The legislature also passed constitutional amendment to article XX, numbered section 17½, giving the legislature, or its delegated body, the commission, the right to fix minimum wages, and this is done to make sure that after the commission's work is done, its findings and rulings can not be assailed and made useless by the state courts declaring this act unconstitutional. To insure the women and minors of this state a living wage it is most necessary that the voters of California vote "Yes" on this amendment.

A similar law in Oregon has been sustained by the Oregon courts and is now before the United States supreme court. Louis D. Brandeis and Josephine Goldmark have presented the brief in support of this law. It is expected that the United States supreme court will hold as it has with the eight hour law—"legislation that is not in conflict with the federal constitution, but is an extension of the police power of the state." To be sure that nothing in our state constitution will prevent this great act of justice and mercy being done to protect the women of this state, vote "Yes" on Assembly Constitutional Amendment No. 90.

W. A. ROBERTS,
Assemblyman Sixty-first District.
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ARGUMENT AGAINST ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 90.

First—There should be no legislation fixing a minimum wage for either women or minors.

Women are fitted to perform, without previous experience and study, but very few avocations.

In many cases a woman without experience is helpless, while if given time and an opportunity she readily becomes useful and a valuable worker.

To fix a wage arbitrarily, and say unless paid this sum she shall not be employed at all, takes from her the opportunity many times to any employment whatever and the help, encouragement and assistance of those employers who otherwise would give her a chance.

Second—There is as much difference in the capacity and ability of different women as of different men—either may be in such condition, mentally or physically, as to need great care and attention before they can adapt themselves to any kind or character of employment. These

people need especial care and well directed persevering effort to bring them to such condition that they are of any value as help. They therefore should be encouraged, not discouraged, their endeavors to be self-supporting, or at least partially so. A fixed minimum wage destroys all their opportunity.

Third—These same reasons apply to minors, with the additional reason that experience teaches us that children should be taught how to work, allowed to work, and encouraged to work, and permitted to work, regardless of the matter of any recompense whatever. Our cities are filled, our streets are lined with men who will not work, the great reason being because they were never taught how to work, nor encouraged in any work. To say that a child shall not work without a fixed pay deprives the child of opportunities which have always made the willing child of to-day the future leading man of our country. It is fundamentally wrong.

WILLIAM B. SHEARER,
Assemblyman First District.

ELECTION OF UNITED STATES SENATORS.

Assembly Constitutional Amendment 92 amending section 20 of article V of constitution.

Eliminates provisions of present section prohibiting governor from being elected United States senator during his term of office, and instead provides that such senators shall be elected by the people of the state in the manner provided by law.

Assembly Constitutional Amendment No. 92, a resolution to propose to the people of the State of California an amendment to the Constitution of the State of California, by amending section 20 of article V thereof, relating to the election of United States senators.

The legislature of the State of California at its regular session commencing on the sixth day of January, in the year one thousand nine hundred and thirteen, two thirds of all the members elected to each of the two houses of said legislature voting in favor thereof, hereby proposes to the qualified electors of the State of California, the following amendment to the Constitution of the State of California so that section 20 of article V of said constitution shall read as follows:

PROPOSED LAW.

Section 20. United States senators shall be elected by the people of the state in the manner provided by law.

Section 20, article V, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 20. The governor shall not, during his term of office, be elected a senator to the senate of the United States.

ARGUMENT IN FAVOR OF ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 92.

The object of the amendment is to make the Constitution of California conform to the Con-

stitution of the United States in its provision for the election of United States senator. The United States Constitution provides that the senate shall be the judge of the election, return and qualifications of its members. The present provision of the Constitution of California, providing that the governor shall not, during his term of office, be elected as senator to the senate of the United States, is, therefore, in conflict with the Constitution of the United States, and this conflict should be removed by the adoption of proposed amendment.

The reason for the provision in the state constitution, prohibiting the election of a governor of the state to the United States senate, no longer exists. When members of the United States senate were elected by the legislature, it might have been possible for the governor to use undue influence on the legislature to secure his own election to the United States senate, but now that members of the United States senate are elected by a direct vote of the people, there is no reason for any restrictions upon the right of the people to choose whom they see fit to fill the office.

L. D. BOHNETT,
Assemblyman Forty-fourth District.

WILLIAM B. BUSH,
Assemblyman Twenty-sixth District.

CALLING CONVENTION FOR REVISION OF CONSTITUTION.

Assembly Concurrent Resolution 17.

Recommends that electors vote for or against a convention for revising the constitution; provides that if majority vote in favor thereof, the legislature shall at next session provide for election of delegates to such convention and the holding thereof at state capitol within three months from date of election calling the same, and that it shall continue in session until it has completed the work of revision and provided for submission thereof to electors.

Assembly Concurrent Resolution No. 17, a resolution recommending the calling of a convention for the revision of the Constitution of the State of California, recommending that the electors of the state vote at the next general election for the calling of a convention to revise the constitution, and to provide the number and qualification, compensation, and manner of electing the delegates to such convention.

Resolved by the assembly, the senate concurring, That the legislature of the State of California, at its regular session, commencing on the

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sixth day of January, one thousand nine hundred and thirteen, two thirds of all the members elected to each house concurring, hereby recommend that the electors of the state vote at the next general election upon the proposition to call a convention to revise the state constitution, such proposition to read as follows:

Section 1. Two thirds of the members elect to each branch of the legislature for the twentieth session of the legislature of the State of California, commencing on the sixth day of January, one thousand nine hundred and thirteen, do

hereby recommend to the electors of the state to vote at the next general election for or against a convention for the purpose of revising the constitution of the state. Such vote to be taken on the reason that two thirds of the members of each branch of the legislature, at said regular fortieth session, deem it necessary to revise such constitution. At such next general election the ballot used shall, in addition to the other names and matters required by law to be printed thereon, contain the words "For the convention," and the words "Against the convention," written or printed thereon in a suitable place, with the appropriate space for each elector to designate his intention with respect to such proposition. The election officers at each and every voting precinct in the state shall make and ascertain, and make returns of the number of votes cast in favor of a convention, and the number of votes cast against a convention, as aforesaid, in like manner and with the same particularity as other votes are required by law to be counted and returned, and an abstract thereof shall be transmitted by each and every county clerk of the state, and each and every registrar of voters in any county, or city and county, of the state, to the secretary of state, in the same manner, and within the same time, that votes for state officers are now by law required to be transmitted.

Sec. 2. The secretary of state shall have authority to compel the mailing of such returns, and when received, shall prepare and lay before the governor of the state a complete abstract of the whole number of votes cast "for" and "against" a convention. If it shall appear from the returns of the county clerks and registrar of voters that a majority of the electors voting at such general election on the proposition for a convention shall have voted in favor of calling such convention, it shall be the duty of the governor to forthwith issue his proclamation, announcing the fact that such convention has been called; and thereupon, it shall be the duty of the legislature at its session next after such election, to provide by law for the election of delegates to such convention, and for the holding thereof at the state capitol. Such convention to meet within three months from the date of the election calling it, and shall continue in session until it shall have completed the work of revision, and provided for submitting the same to the electors for approval or rejection.

ARGUMENT IN FAVOR OF ASSEMBLY CONCURRENT RESOLUTION NO. 17.

In his masterly and widely read work entitled the "American Commonwealth," published in 1893, James Bryce referred to the California constitution as a conspicuous example of what a state constitution ought not to be. Since 1893, what Mr. Bryce has predicted has proven true; our constitution has been repeatedly amended, until now it has become a crazy-quilt of direct legislation.

When the constitution was adopted the so-called "sand lot" agitation was at its height; fear of the legislature and distrust of their representatives, inspired by the "sand lot" agitators, induced the people to adopt the constitution, "limiting in every possible way the powers of the state legislature and leaving it little authority except to carry out by statutes the provisions of the constitution." The result was inevitable: statutes of vast importance to the people passed by the legislature have necessarily been held unconstitutional by the courts, and subsequent legislatures have found it necessary to propose amendments to the constitution to cure the defects pointed out by the courts; then, in most cases, nearly two years elapsed before the people ratified the amendments, and following those delays, still later legislatures had to convene before statutes desired by the people three or four years before could become effective.

At every session of the legislature since the adoption of the constitution numerous amend-

ments have been proposed: in thirty-five years eighty-two amendments have been adopted, and twenty-two amendments are even now pending before the people for adoption or rejection.

With the initiative and referendum firmly grounded in our political system, we should have a constitution imposing as few restrictions upon the legislature as possible. Under the initiative the people may pass a law if the legislature refuses to do so, and by means of the referendum they may veto an objectionable measure passed by the legislature. A code of direct legislation such as our present constitution has become is wholly unnecessary, is difficult, if not impossible, for the ordinary citizen to understand, and by making our system of state government so cumbersome and complex it necessarily tends to retard our material development.

The desirability of a brief, simple and clear constitution is admitted by all, but the argument is frequently heard that the time is not opportune; that the people are not ready to have this blessing thrust upon them. The person advancing such an argument usually believes that the people must be educated to his way of thinking before they attempt to adopt a constitution for their government. That argument can be, and always will be, advanced by the man who feels that the people as a whole are not competent to know or say what they want. The answer to the argument is, let the people themselves determine the question for themselves. If they say they desire a new constitution they will elect delegates to frame that constitution, and if that constitution so framed is acceptable to them, they will adopt it, otherwise they will reject it.

It is in the belief that a majority of the people do desire a new constitution, and that having expressed that desire will frame and adopt a constitution in accord with our educational and economical advancement, that the question is submitted to them for decision.

W. A. SUTHERLAND,
Assemblyman Fifty-first District.

ARGUMENT AGAINST ASSEMBLY CONCURRENT RESOLUTION NO. 17.

Let us admit that the ideal state constitution is a brief, concise statement of fundamental principles; also that our present constitution is long, cumbered with legislative matter, and contains unwise restrictions upon legislative power.

It is, nevertheless, unwise to vote at present for a constitutional convention. There is absolutely no popular demand, and mighty little of any sort, for a new constitution at this time. By frequent amendment, the state is getting on fairly well under the present constitution.

There is no likelihood whatever that this convention would frame an approximately ideal constitution. There is absolutely no agreement even among advocates of a new constitution as to the "fundamental principles" to be incorporated therein.

California is now trying out many new governmental policies. Their opponents say these are due to temporary hysteria. Their advocates are sure the fundamental principles involved are permanent. Whichever is right, the political unrest of the present is not a propitious time in which to frame a new "brief, concise" constitution which shall approach the finality talked of by advocates of a new one. Nor can there be any assurance that the constitution adopted would be less frequently amended than the present one.

Unwise or not, the present tendency is toward long constitutions. Since the adoption of California's in 1879, twenty-one other states have

adopted new or revised constitutions. California's was shorter than the average, and absolutely shorter than the majority of these.

The action of the California Bar Association at its annual meeting in November, 1913, upon this question, is most significant. The association is composed of representative lawyers throughout the state, and of all shades of political opinion. The matter was thoroughly considered, with the result of a vote of 44 to 5 *against* the convention. By such vote, it was, "*Resolved*, that the California Bar Association, in annual meeting assembled, recommends to the people at large to *vote against calling a convention* to revise the present constitution." (See the published proceedings for full discussion.)

Even those who believe that a new constitution is desirable in the near future should now vote "*Against the Convention*." For, before any such convention is held, there should be an amendment adopted changing both the method of choosing its members and the powers conferred upon

it; otherwise, its work can be fully expected to be futile, and the expense wasted.

The necessary changes are set out in detail in the argument (printed elsewhere in this pamphlet) for the adoption of Assembly Constitutional Amendment No. 88, which will also be voted on at this November election. Its adoption must necessarily remain in doubt till after the election. Hence it is folly to vote "For the Convention" on the unwarranted assumption that this needed amendment will be adopted.

Vote "*Against the Convention*" because:

First—There is no general demand for a new constitution.

Second—The probable expense will be close to a million dollars.

Third—The method of selecting and the powers of such a convention should first be changed.

Fourth—No constitution greatly improving the present one can be expected at this time.

WM. C. CLARK,

Assemblyman Thirty-seventh District.

SACRAMENTO STATE BUILDING BONDS.

FOR THE STATE'S BUILDINGS BONDS. []

This act provides for the issuance and sale of state bonds in the sum of \$3,000,000 for additional state buildings in Sacramento, payable in fifty years, and bearing interest at four per cent. **AGAINST THE STATE BUILDINGS BONDS. []**

An act to provide for the issuance and sale of state bonds to be known as "state building bonds," to provide a fund for the erection and equipment of state buildings in the city of Sacramento for state purposes, creating a commission to determine the amount to be expended for furnishing and equipping said buildings and accepting a suitable site, creating a sinking and interest fund for the payment of interest on said bonds and the redemption of the same, making an appropriation therefor, making an appropriation of five thousand dollars for the expenses of printing and lithographing said bonds and providing for the submission of this act to a vote of the people.

The people of the State of California do enact as follows:

Section 1. For the purpose of creating and providing a fund for the indebtedness hereby authorized to be incurred, as hereinafter provided, the state treasurer shall immediately after the issuance of the proclamation of the governor, provided for in section ten hereof, prepare six thousand suitable bonds of the State of California, in the denomination of five hundred dollars each. The whole issue of said bonds shall not exceed the sum of three million dollars, and said bonds shall bear interest at the rate of four per centum per annum from the date of issuance thereof, and both principal and interest shall be payable in gold coin of the present standard of value, and they shall be payable at the office of the state treasurer, at the expiration of fifty years from their date. Said bonds shall bear date the second day of July, 1915, and shall be payable on the second day of July of each year after the sale of the same. At the expiration of fifty years from the date of said bonds all bonds sold shall cease to bear interest, and the state treasurer shall call in, forthwith pay and cancel the same out of the moneys in the sinking and interest fund provided for in this act. All bonds issued shall be signed by the governor, and countersigned by the controller, and shall be endorsed by the state treasurer, and the said bonds shall be so signed, countersigned, and endorsed by the officers who are in office on the second day of July, 1915, and each of said bonds shall have the seal of the state impressed thereon. The said bonds signed, countersigned, endorsed and sealed as herein provided when sold shall be and constitute a valid and binding obligation upon the State of California, though the sale thereof be made at a date or dates after the person signing, countersigning and endorsing, or any or either of them, shall have ceased to be the incumbents of such office or offices.

Sec. 2. Interest coupons shall be attached to each of said bonds, so that such coupons may be removed without injury to

or mutilation of the bond. Said bonds shall be consecutively numbered, and shall bear the lithographed signature of the state treasurer who shall be in office on the second day of July, 1915. But no interest on any of said bonds shall be paid for any time which may intervene between the date of any of said bonds and the issue and sale thereof to a purchaser, unless such accrued interest shall have been, by the purchaser of said bond, paid to the state at the time of such sale.

Sec. 3. The sum of five thousand dollars is hereby appropriated out of any moneys in the state treasury not otherwise appropriated to pay the expenses that may be incurred by the state treasurer in having said bonds prepared.

Sec. 4. When the bonds authorized to be issued under this act shall be duly executed, they shall be sold by the state treasurer at public auction to the highest bidder for cash in such parcels and numbers as shall be directed by the governor of the state; but the state treasurer must reject any and all bids for said bonds, or for any of them, which shall be below the par value of said bonds so offered plus the interest which has accrued thereon between the date of sale and the last preceding interest maturity date and he may, by public announcement, at the place and time fixed for the sale, continue such sale, as to the whole of the bonds offered, or any part thereof offered, to such time and place as he may select. When a sale is continued, as hereinabove provided, no notice need be given other than the public announcement of the continuance, as hereinabove provided. Before offering any of said bonds for sale, the said treasurer shall detach therefrom all coupons which have matured before the date fixed for such sale. Due notice of the time and place of sale of all bonds must be given by said treasurer by publication in one newspaper published in the city and county of San Francisco, and also by publication in one newspaper published in the city of Oakland, and by publication in one newspaper published in the city of Los Angeles, and by publication in one newspaper published in the city of Sacramento, once a week during four weeks prior to such sale. In addition to the notice last above provided for the state treasurer must give such further notice as he may deem advisable, but the expenses and costs of such additional notice shall not exceed five hundred dollars for each sale so advertised. The costs of such publications shall be paid out of any moneys in the state treasury not otherwise appropriated on controller's warrants duly drawn for such purpose. The proceeds of the sale of such bonds, except such amount as may have been paid as accrued interest thereon, shall be forthwith paid over by said treasurer into the state treasury, must be by him kept in a separate fund, to be known and designated as the "state buildings fund" which fund is hereby established. Any and all sums which may have been paid as

accrued interest shall be forthwith paid over by said treasurer into the state treasury, and must be by him kept in a separate fund to be known and designated as the "state buildings sinking and interest fund," which fund is hereby established.

Sec. 5. Any and all moneys derived from the sale of the bonds provided for in this act are hereby appropriated and shall be used exclusively for the following purpose to wit:

The constructing and equipping of state buildings in the city of Sacramento, State of California, for the various officers boards and commissions of the state, at a cost not to exceed the total sum of three million dollars, such portion of said sum of three million dollars to be used for the furnishing and equipping of said state buildings as may be determined by a board consisting of the governor, the presiding justice of the supreme court, and the state librarian, which board for such purpose is hereby created; provided, however, that no moneys provided for by this act shall be used for such purpose until a site suitable for such purpose, and acceptable to the state board last above created, shall be donated or given to the state, the title thereto to be free and clear of all liens and encumbrances; the number of buildings and their location on the lands to be donated shall be determined by said board in this subdivision of this section mentioned; the plans and specifications for said buildings, and each of the same, shall be prepared under the direction and control of said board in this subdivision of this section provided for.

Sec. 6. There is hereby appropriated out of any moneys in the state treasury not otherwise appropriated, the sum of fifty thousand (50,000) dollars annually, to pay the principal of the bonds issued and sold pursuant to the provisions of this act. Said annual appropriation to continue until the same, together with the accrued interest on the investment thereof, shall be sufficient to pay the principal of said bonds at the maturity thereof.

There is also hereby appropriated from any moneys in the state treasury not otherwise appropriated such sum annually as will be necessary to pay the interest on the bonds issued and sold pursuant to the provisions of this act.

There shall be collected annually in the same manner and at the same time as other state revenue is collected such a sum in addition to the other revenues of the state, as shall be required to pay the principal and interest on said bonds as herein provided and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of said revenue to do and perform each and every act which shall be necessary to collect such additional sum.

On the 2d day of January and on the 2d day of July of each year, after the sale of any bonds as herein provided for, the state treasurer and state controller shall transfer from the moneys hereby appropriated to the state buildings sinking and interest fund, a sufficient sum of money to pay all interest due and payable on any bonds sold and said transfer shall continue to be so made up to the date of maturity of such bonds and it shall be the duty of the state treasurer to pay the same when the same falls due. On the first Monday in July of each year, after the sale of any of the bonds as in this act provided the state controller and state treasurer are hereby authorized and directed to transfer the moneys hereby appropriated for the payment of the principal of said bonds to the said state buildings sinking and interest fund. The moneys so transferred

to the said state buildings sinking and interest fund for the payment of the principal of said bonds, shall be invested from time to time by the state treasurer in United States or state bonds. All interest payable on such bonds so invested shall be paid into the said state buildings sinking and interest fund and be applied and held for the payment of the principal of said bonds or reinvested in other bonds for the payment of such principal, as herein provided.

The principal of all of said bonds sold shall be paid at the time the same becomes due, from the "state buildings sinking and interest fund" and the interest on all bonds sold shall be paid at the time said interest becomes due from said fund and the faith of the State of California is hereby pledged for the payment of the principal of said bonds so sold and the interest accruing thereon.

The state controller and the state treasurer shall keep full and particular account and record of all their proceedings under this act, and they shall transmit to the governor an abstract of all such proceedings thereunder, with an annual report, to be by the governor laid before the legislature biennially; and all books and papers pertaining to the matter provided for in this act shall at all times be open to the inspection of any party interested, or the governor, or the attorney general, or a committee of either branch of the legislature, or a joint committee of both, or any citizen of the state.

Sec. 7. When the bonds provided for by this act are redeemed, the state treasurer shall mark the same cancelled, and shall, in the presence of the governor destroy the same by burning the said bonds.

Sec. 8. This act, if adopted by the people, shall take effect on the thirty-first day of December, 1914, as to all its provisions excepting those relating to and necessary for its submission to the people, and for returning, canvassing and proclaiming the votes, and as to said excepted provisions this act shall go into effect ninety days after the final adjournment of the session of the legislature passing the same.

Sec. 9. This act shall be submitted to the people of the State of California for their ratification at the next general election to be held in the month of November, nineteen hundred and fourteen, and all ballots at said election shall have printed thereon the words "For the state's buildings bonds" and such other designation as may be necessary to properly identify this act. In a square immediately below the square containing said words there shall be printed on said ballot the words "Against the state buildings bonds." Opposite the words "For the state buildings bonds" and "Against the state buildings bonds," there shall be left spaces in which the voters may make or stamp a cross to indicate whether they vote for or against this act, and those voting for said act shall do so by placing a cross opposite the words "For the state buildings bonds" and those voting against said act shall do so by placing a cross opposite the words "Against the state buildings bonds." The governor of this state shall include the submission of this act to the people as aforesaid, in his proclamation calling for said general election.

Sec. 10. The votes cast for or against this act shall be counted, returned and canvassed and declared in the same manner and subject to the same rule as votes cast for state officers; and if it appear that said act shall have received a majority of all the votes cast for and against it at said election as aforesaid, then the same shall have effect as hereinbefore provided, and shall be irrevocable until the principal and interest of the liabilities herein created shall be paid and discharged, and the governor shall make proclamation thereof; but if the majority of the votes cast aforesaid are against this act then the same shall be and become void.

SAN FRANCISCO STATE BUILDING ACT.

(Issue not to exceed \$1,000,000.)

FOR THE SAN FRANCISCO STATE BUILDING ACT. []

This act provides for the issuance and sale of state bonds to create a fund for the construction, erection, equipment, completion and furnishing of a state building or buildings upon a lot of land in the city and county of San Francisco, to be used by the officers and departments of the state which are located in said city and county of San Francisco.

AGAINST THE SAN FRANCISCO STATE BUILDING ACT. []

This act provides for the issuance and sale of state bonds to create a fund for the construction, erection, equipment, completion and furnishing of a state building or buildings upon a lot of land in the city and county of San Francisco, to be used by the officers and departments of the state which are located in said city and county of San Francisco.

An act to provide for the issuance and sale of state bonds to create a fund for the construction, erection, equipment, completion and furnishing of a state building or buildings upon a lot of land in the city and county of San Francisco, to be used by the officers and departments of the state which are located

in said city and county of San Francisco, which lot of land has been secured from the city and county of San Francisco in exchange for the lot heretofore purchased by the state for said purposes; and to create a sinking fund for the payment of said bonds; and defining the duties of state officers in relation there-

to; and making an appropriation of one thousand dollars for the printing and sale of said bonds; and providing for the submission of this act to the vote of the people.

The people of the State of California do enact as follows:

Section 1. For the purpose of providing a fund for the payment of the indebtedness authorized to be incurred by the commission for the construction, erection, equipment, completion and furnishing of a state building or buildings in the city and county of San Francisco as provided in an act entitled "An act to provide for the construction, erection, equipment and furnishing of a building or buildings in the city and county of San Francisco and for the improvement of the grounds thereof for the use and occupancy of the officers and departments of the state government of the State of California located in said city and county of San Francisco, and repealing other acts in conflict herewith," the state treasurer shall, immediately after the issuance of the proclamation of the governor, provided for in section ten hereof, prepare one thousand suitable bonds of the State of California in the denomination of one thousand dollars each, to be numbered from one to one thousand, inclusive, and to bear the date of the second day of July, 1915; the whole issue of said bonds shall not exceed the sum of one million dollars and the said bonds shall bear interest at the rate of four per cent per annum from the time of the issuance thereof, and both principal and interest shall be payable in gold coin of the present standard value and they shall be payable at the office of the state treasurer at the times and in the manner following, to wit: The first twenty of said bonds shall be due and payable on the second day of July, 1916, and twenty of said bonds, in consecutive numerical order, shall be due and payable on the second day of July in each and every year thereafter until and including the second day of July, 1965. The interest accruing on such of said bonds as are sold shall be due and payable at the office of the state treasurer on the second day of January and on the second day of July of each year after the sale of the same; provided, that the first payment of interest shall be made on the second day of January, 1916, on so many of said bonds as may have been theretofore sold. The state treasurer shall, on the second day of July, A. D. 1965, call in, cancel and destroy all bonds not theretofore sold and issued at the date of the maturity thereof. All bonds issued shall be signed by the governor and countersigned by the state controller and shall be endorsed by the state treasurer and the said bonds shall be so signed, countersigned and endorsed by the officers who are in office on the second day of July, 1915, and each shall have the seal of the State of California stamped thereon. The said bonds so signed, countersigned, endorsed and sealed, as herein provided for, when sold, shall be and constitute a valid and binding obligation upon the State of California, though the sale thereof be made at a date or dates after the persons so signing, countersigning or endorsing, or any of them, shall cease to be the incumbents of said office or offices.

Sec. 2. Interest coupons shall be attached to each of said bonds so that such coupons may be detached without injury to or mutilation of the bond. Said coupons shall be consecutively numbered, and shall be signed by the state treasurer. But no interest on any of said bonds shall be paid for any time which may intervene between the date of any of said bonds, and the issue and sale thereof to a purchaser.

Sec. 3. The sum of one thousand dollars is hereby appropriated to pay the expenses that may be incurred by the state treasurer in the printing and sale of said bonds. Said amount shall be paid out of the general fund on the state controller's warrants duly drawn for that purpose.

Sec. 4. When the bonds authorized to be issued under this act shall be duly executed, they shall be sold by the state treasurer at public auction to the highest bidder for cash, in such parcels and numbers as said state treasurer shall determine; but said treasurer must reject any and all bids for said bonds or for any of them, which shall be below the par value of said bonds so offered for sale, and he may by public announcement at the place and time fixed for the sale, for good and sufficient cause, continue such sale as to the whole of the bonds offered or any part thereof offered, to such time and place as he may select, not exceeding, however, sixty days. Due notice of the time and place of sale of all bonds must be given by said treasurer by publication in two newspapers pub-

lished in the city and county of San Francisco, and also by publication in one newspaper published in the city of Oakland, and by publication in one newspaper published in the city of Los Angeles, and by publication in one newspaper published in the city of Sacramento, once a week during four weeks to such sale. The cost of such publication shall be paid of the general fund of the state on controller's warrants duly drawn for that purpose. The proceeds of the sale of such bonds shall be forthwith paid over by said treasurer into the treasury and must be by him kept in a separate fund to be known and designated as the "San Francisco state building fund" and must be used exclusively for the construction, erection, equipment, completion and furnishing of a state building or buildings in the city and county of San Francisco. Drafts and warrants upon said fund shall be drawn upon and shall be paid out of said fund in the same manner as drafts and warrants are drawn and paid for other state work under the control of the said department of engineering.

Sec. 5. For the payment of the principal and interest of said bonds a sinking fund, to be known and designated as the "San Francisco state building sinking fund" shall be and the same is hereby created as follows: The state treasurer shall, on the second day of January and on the second day of July, commencing on the second day of January, 1916, and thereafter on the second day of July and the second day of January of each and every year thereafter in which a portion of the bonds sold pursuant to the provisions of this act shall become due, transfer from the general fund of the state treasury to the said "San Francisco state building sinking fund" such an amount of the moneys appropriated by this act as may be required to pay the principal and interest of the bonds so becoming due and payable in such years. There is hereby appropriated from the general fund in the state treasury such sum annually as will be necessary to pay the principal of and the interest on the bonds, issued and sold pursuant to the provisions of this act, as said principal and interest becomes due and payable. There shall be collected annually in the same manner and at the same time as other state revenue is collected such a sum, in addition to the ordinary revenues of the state as shall be required to pay the principal and interest on said bonds herein provided, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of said revenue, to do and perform each and every act which shall be necessary to collect such additional sum.

Sec. 6. The principal on all of said bonds sold shall be paid at the time the same becomes due from the said San Francisco state building sinking fund and the interest on all bonds sold shall be paid at the time said interest becomes due from said sinking fund. Both principal and interest shall be so paid upon warrants duly drawn by the controller of the state upon demands audited by the state board of control and the faith of the State of California is hereby pledged for the payment of the principal of said bonds so sold and the interest accruing thereon.

Sec. 7. The state controller and the state treasurer shall keep full and particular account and record of all of their proceedings under this act, and they shall transmit to the governor an abstract of all such proceedings thereunder, with an annual report to be by the governor laid before the legislature biennially; and all books and papers pertaining to the matter provided for in this act shall at all times be open to the inspection of any party interested, or the governor, or the attorney general, or a committee of either branch of the legislature, or a joint committee of both, or any citizen of the state.

Sec. 8. This act, if adopted by the people, shall take effect on the first day of December, 1914, as to all its provisions, excepting those relating to and necessary for its submission to the people and for the returning, canvassing and proclaiming the votes, and as to the said excepted provisions, this act shall take effect ninety days after the final adjournment of this session of the legislature.

Sec. 9. This act shall be submitted to the people of the State of California for their ratification at the next general election to be held in the month of November, A. D. 1914 and all ballots at said election shall have printed thereon words "For the San Francisco state building act" and in same square, under said words, the following in briefer type: "This act provides for the issuance and sale of state bonds to

create a fund for the construction, erection, equipment, completion and furnishing of a state building or buildings upon a lot of land in the city and county of San Francisco, to be used by the officers and departments of the state which are located in said city and county of San Francisco." In the square immediately below the square containing said words there shall be printed on said ballot the words "Against the San Francisco state building act" and immediately below said words "Against the San Francisco state building act," in briefer type, shall be printed "This act provides for the issuance and sale of state bonds to create a fund for the construction, erection, equipment, completion and furnishing of a state building or buildings upon a lot of land in the city and county of San Francisco, to be used by the officers and departments of the state which are located in said city and county of San Francisco." Opposite the words "For the San Francisco state building act" and "Against the San Francisco state building act" there shall be left spaces in which the voters may stamp a cross indicating whether they vote for or against said act, and those voting for said act shall do so by placing a cross opposite the words "For the San Francisco state building act," and those voting against said act shall do so by placing a cross opposite the words "Against the San Francisco state building act." The governor of this state shall include the submission of this act to the

people, as aforesaid, in his proclamation calling for said general election.

Sec. 10. The vote cast for or against this act shall be counted, returned and canvassed and declared in the same manner and subject to the same rules as votes cast for state officers; and if it appear that said act shall have received a majority of all the votes cast for and against it at said election, as aforesaid, then the same shall have effect as hereinabove provided, and shall be irrevocable until the principal and interest of the liabilities herein created shall be paid and discharged, and the governor shall make proclamation thereof; but if a majority of the votes cast, as aforesaid, are against this act, then the same shall be and become void.

Sec. 11. It shall be the duty of the secretary of state to have this act published in at least one newspaper in each county, or city and county, if one be published therein, throughout this state, for three months next preceding the general election to be held in the month of November, A. D. nineteen hundred and fourteen; the costs of publication shall be paid out of the general fund, on controller's warrants, duly drawn for that purpose.

Sec. 12. This act shall be known and cited as the "San Francisco state building act."

Sec. 13. All acts and parts of acts in conflict with the provisions of this act are hereby repealed.

STATE FAIR GROUNDS BONDS.

FOR THE STATE FAIR GROUNDS BONDS. []

This act provides for the issuance and sale of state bonds in the sum of \$750,000 for improvement of the state fair grounds at Sacramento, payable in fifty years, and bearing interest at four per cent. AGAINST THE STATE FAIR GROUNDS BONDS. []

An act to provide for the issuance and sale of state bonds to be known as "state fair grounds bonds," to provide a fund for the acquirement of additional land for the enlargement and extension of the state fair grounds in the city of Sacramento, the erection of additions to buildings now existing on said grounds, the erection of new buildings thereon, the equipping of said buildings and the general improvement and beautification of said state fair grounds as a complete plant for the exhibition and exploitation of the resources and products of the state; appropriating the proceeds thereof for said purposes and providing for the manner in which the same shall be expended; creating a sinking and interest fund for the payment of interest on said bonds and the redemption thereof, making an appropriation therefor and providing for the collection of revenue for such purposes; making an appropriation for the expense of preparing such bonds and providing for the submission of this act to a vote of the people.

The people of the State of California do enact as follows:

Section 1. For the purpose of creating and providing a fund for the indebtedness hereby authorized to be incurred, as hereinafter provided, the state treasurer shall immediately after the issuance of the proclamation of the governor, provided for in section ten hereof, prepare one thousand five hundred suitable bonds of the State of California, in the denomination of five hundred dollars each. The whole issue of said bonds shall not exceed the sum of seven hundred and fifty thousand dollars, and said bonds shall bear interest at the rate of four per centum per annum from the date of issuance thereof, and both principal and interest shall be payable in gold coin of the present standard of value, and they shall be payable at the office of the state treasurer, at the expiration of fifty years from their date. Said bonds shall bear date the second day of July, 1915, and shall be payable on the second day of July, 1965. The interest accruing on such of said bonds as are sold shall be due and payable at the office of the state treasurer on the second day of January and on the second day of July of each year after the sale of the same. At the expiration of fifty years from the date of said bonds all bonds sold shall cease to bear interest and the state treasurer shall call in, forthwith pay and cancel the same out of the moneys in the sinking and interest fund provided for in this act. All bonds issued shall be signed by the governor, and countersigned by the controller, and shall be endorsed by the state treasurer, and the said bonds shall

so signed, countersigned, and endorsed by the officers who in office on the second day of July, 1915, and each of said bonds shall have the seal of the state impressed thereon. The said bonds signed, countersigned, endorsed and sealed as herein provided when sold shall be and constitute a valid and binding obligation upon the State of California, though the

sale thereof be made at a date or dates after the person signing, countersigning and endorsing, or any or either of them, shall have ceased to be the incumbents of such office or offices.

Sec. 2. Interest coupons shall be attached to each of said bonds, so that such coupons may be removed without injury to or mutilation of the bond. Said bonds shall be consecutively numbered, and shall bear the lithographed signature of the state treasurer who shall be in office on the second day of July, 1915. But no interest on any of said bonds shall be paid for any time which may intervene between the date of any of said bonds and the issue and sale thereof to a purchaser, unless such accrued interest shall have been, by the purchaser of said bond, paid to the state at the time of such sale.

Sec. 3. The sum of two thousand five hundred dollars, or so much thereof as may be necessary, is hereby appropriated out of any moneys in the state treasury not otherwise appropriated to pay the expenses that may be incurred by the state treasurer in having said bonds prepared.

Sec. 4. When the bonds authorized to be issued under this act shall be duly executed, they shall be sold by the state treasurer at public auction to the highest bidder for cash in such parcels and numbers as shall be directed by the governor of the state; but the state treasurer must reject any and all bids for said bonds, or for any of them, which shall be below the par value of said bonds so offered plus the interest which has accrued thereon between the date of sale and the last preceding interest maturity date and he may, by public announcement, at the place and time fixed for the sale, continue such sale, as to the whole of the bonds offered, or any part thereof offered, to such time and place as he may select. When a sale is continued, as hereinabove provided, no notice need be given other than the public announcement of the continuance, as hereinabove provided. Before offering any of said bonds for sale, the said treasurer shall detach therefrom all coupons which have matured before the date fixed for such sale. Due notice of the time and place of sale of all bonds must be given by said treasurer by publication in one newspaper published in the city and county of San Francisco, and also by publication in one newspaper published in the city of Oakland, and by publication in one newspaper published in the city of Los Angeles, and by publication in one newspaper published in the city of Sacramento, once a week during four weeks prior to such sale. In addition to the notice last above provided for the state treasurer must give such further notice as he may deem advisable, but the expenses and costs of such additional notice shall not exceed five hundred dollars for each sale so advertised. The costs of such publications shall be paid out of any moneys in the state treasury not otherwise appropriated on controller's warrants duly drawn for such purpose. The proceeds of the sale of such bonds, except

such amount as may have been paid as accrued interest thereon, shall be forthwith paid over by said treasurer into the state treasury, and must be by him kept in a separate fund, to be known and designated as the "state fair grounds fund" which fund is hereby established. Any and all sums which may have been paid as accrued interest shall be forthwith paid over by said treasurer into the state treasury, and must be by him kept in a separate fund to be known and designated as the "state fair grounds sinking and interest fund," which fund is hereby established.

Sec. 5. Any and all moneys derived from the sale of the bonds provided for in this act, are hereby appropriated and shall be used exclusively for the following purpose, to wit: For the acquiring of additional land for the enlargement and extension of the state fair grounds in the city of Sacramento, the erection of additions to buildings now existing on said grounds, the erection of new buildings on said grounds, the equipping of said buildings and the general improvement and beautification of said state fair grounds as a complete plant for the exhibition and exploitation of the resources and products of this state. The funds herein appropriated shall be expended under the direction and control of the state board of agriculture; provided, that the plans and specifications for the erection of additions to existing buildings and for the erection of new buildings and for the improvement and beautification of said state fair grounds shall be prepared by the state department of engineering subject to the approval of the state board of agriculture, and all work at said state fair grounds to be paid for from the funds created by this act shall be carried out in accordance with the general law governing the construction and prosecution of all public work for the State of California.

Sec. 6. There is hereby appropriated out of any moneys in the state treasury not otherwise appropriated, the sum of twelve thousand five hundred dollars annually, to pay the principal of the bonds issued and sold pursuant to the provisions of this act. Said annual appropriation to continue until the same, together with the accrued interest on the investment thereof, shall be sufficient to pay the principal of said bonds at the maturity thereof. There is also hereby appropriated out of any moneys in the state treasury not otherwise appropriated, such sum annually as will be necessary to pay the interest on the bonds issued and sold pursuant to the provisions of this act. There shall be collected annually in the same manner and at the same time as other state revenue is collected such a sum, in addition to the other revenues of the state, as shall be required to pay the principal and interest on said bonds as herein provided and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of said revenue to do and perform each and every act which shall be necessary to collect such additional sum. On the 2d day of January and on the 2d day of July of each year, after the sale of any bonds as herein provided for, the state treasurer and state controller shall transfer from the moneys hereby appropriated to the state fair grounds sinking and interest fund, a sufficient sum of money to pay all interest due and payable on any bonds sold, and said transfer shall continue to be so made up to the date of maturity of such bonds and it shall be the duty of the state treasury to pay the same when the same shall fall due. On the first Monday in July of each year, after the sale of any of the bonds as in this act provided, the state controller and the state treasurer are hereby authorized and directed to transfer the moneys hereby appropriated for the payment of the principal of said bonds to the said state fair grounds sinking and interest fund. The

moneys so transferred to the said state fair grounds sinking and interest fund for the payment of the principal of said bonds, shall be invested from time to time by the state treasurer in United States, state, county, city and county, municipal or school district bonds issued in the State of California, and other bonds as are now or may hereafter be authorized by law. All interest payable on such bonds so invested shall be paid into the said state fair grounds sinking and interest fund and be applied and held for the payment of the principal of said bonds or reinvested in other bonds for the payment of such principal, as herein provided. The principal of all said bonds sold shall be paid at the time the same becomes due, from the state fair grounds sinking and interest fund and the interest on all bonds sold shall be paid at the time said interest becomes due from said fund and the faith of the State of California is hereby pledged for the payment of the principal of said bonds so sold and the interest accruing thereon. The state controller and the state treasurer shall keep full and particular account and record of all their proceedings under this act, and they shall transmit to the governor an abstract of all such proceedings thereunder, with an annual report, to be by the governor laid before the legislature biennially; and all books and papers pertaining to the matter provided for in this act shall at all times be open to the inspection of any party interested, or the governor, or the attorney general, or a committee or either branch of the legislature, or a joint committee of both, or any citizen of the state.

Sec. 7. When the bonds provided for this act are redeemed, the state treasurer shall mark the same cancelled, and shall, in the presence of the governor, destroy the same by burning the said bonds.

Sec. 8. This act, if adopted by the people, shall take effect on the thirty-first day of December, 1914, as to all its provisions excepting those relating to and necessary for its submission to the people, and for returning, canvassing and proclaiming the votes, and as to said excepted provisions this act shall go into effect ninety days after the final adjournment of the session of the legislature passing the same.

Sec. 9. This act shall be submitted to the people of the State of California for their ratification at the next general election to be holden in the month of November, nineteen hundred and fourteen, and all ballots at said election shall have printed thereon the words "For the state fair grounds bonds" and such other designation as may be necessary to properly identify this act. In a square immediately below the square containing said words there shall be printed on said ballot the words "Against the state fair grounds bonds." Opposite the words "For the state fair grounds bonds" and "Against the state fair grounds bonds," there shall be left spaces in which the voters may make or stamp a cross to indicate whether they vote for or against this act, and those voting for said act shall do so by placing a cross opposite the words "For the state fair grounds bonds" and those voting against said act shall do so by placing a cross opposite the words "Against the state fair grounds bonds." The governor of this state shall include the submission of this act to the people as aforesaid, in his proclamation calling for said general election.

Sec. 10. The votes cast for or against this act shall be counted, returned and canvassed and declared in the same manner and subject to the same rule as votes cast for state officers; and if it appears that said act shall have received a majority of all of the votes cast for and against it at said election as aforesaid, then the same shall have effect as hereinbefore provided and shall be irrevocable until the principal and interest of the liabilities herein created shall be paid and discharged, and the governor shall make proclamation thereof; but if the majority of the votes cast aforesaid are against this act then the same shall be and become void.

SAN FRANCISCO HARBOR IMPROVEMENT ACT OF 1913.

FOR THE SAN FRANCISCO HARBOR IMPROVEMENT ACT OF 1913. []

This act provides for the improvement of San Francisco harbor and for the payment of all costs thereof out of San Francisco harbor improvement fund.

AGAINST THE SAN FRANCISCO HARBOR IMPROVEMENT ACT OF 1913. []

This act provides for the improvement of San Francisco harbor and for the payment of all costs thereof out of the San Francisco harbor improvement fund.

An act to provide for the issuance and sale of state bonds to create a fund for the improvement of San Francisco harbor by the construction by the board of state harbor commissioners of wharves, piers, state railroad, spurs, betterments, and appurtenances, and necessary dredging and filling in connection therewith in the city and county of San Francisco; to create a sinking fund for the payment of said bonds; to define the duties of state officers in relation thereto; to make an appropriation of five thousand

and dollars for the expense of printing said bonds; and to provide for the submission of this act to a vote of the people.

The people of the State of California do enact as follows:

Section 1. For the purpose of providing a fund for the payment of the indebtedness hereby authorized to be incurred, the board of state harbor commissioners for the erection of wharves, piers, seawall, state railroad, spurs, betterments and

appurtenances and necessary dredging and filling in connection therewith in the city and county of San Francisco, at a cost not to exceed ten million dollars (which said wharves, piers, seawall, state railroad, spurs, betterments and appurtenances necessary dredging and filling in connection therewith the board of state harbor commissioners are hereby empowered to construct and do in the manner authorized by law, and at a cost not to exceed ten million dollars), the state treasurer shall, immediately after the issuance of the proclamation of the governor, provided for in section ten hereof, prepare ten thousand suitable bonds of the State of California, in the denomination of one thousand dollars each. The whole issue of said bonds shall not exceed the sum of ten million dollars, and said bonds shall bear interest at the rate of four per centum per annum, from the date of issuance thereof, and both principal and interest shall be payable in gold coin of the present standard value, and they shall be payable at such place in the United States as may be designated in the bonds (full authority to designate such place being hereby conferred on the governor who shall sign said bonds), at the expiration of seventy-four years from their date, subject, however, to redemption by lot as in this act hereinafter provided. Said bonds shall bear date the second day of July, A. D. nineteen hundred and fifteen, and shall be made payable on the second day of July, nineteen hundred and eighty-nine. The interest accruing on such of said bonds as are sold, shall be due and payable at the place designated in said bonds as aforesaid, on the second day of January, and on the second day of July, of each year after the sale of the same; provided, that the first payment of interest shall be made on the second day of July, nineteen hundred and sixteen, on so many of said bonds as may have been theretofore sold. At the expiration of seventy-four years from the date of said bonds, all bonds sold shall cease to bear interest and likewise all bonds redeemed by lot shall cease to bear interest as in this act provided, and the said state treasurer shall call in, forthwith pay and cancel the same, out of the moneys in the third San Francisco seawall sinking fund provided for in this act, and, he shall on the first Monday of July, nineteen hundred and eighty-nine, also cancel and destroy all bonds not theretofore sold. All bonds issued shall be signed by the governor, and countersigned by the controller, and shall be endorsed by the state treasurer and the said bonds shall be so signed, countersigned and endorsed by the officers who are in office on the second day of July, 1915, and each of said bonds shall have the seal of the state stamped thereon. The said bonds signed, countersigned and endorsed and sealed as herein provided when sold shall be and constitute a valid and binding obligation upon the State of California, though the sale thereof be made at a date or dates after the person signing, countersigning and endorsing, or any or either of them, shall have ceased to be the incumbent of such office or offices. Each bond shall contain a clause that it is subject to redemption by lot after the year nineteen hundred and fifty-four.

Sec. 2. Interest coupons shall be attached to each of said bonds so that such coupons may be removed without injury to, or mutilation of the bond. Said coupons shall be consecutively numbered, and shall bear the lithographed signature of the state treasurer who shall be in office on the second day of July, 1915. But no interest on any of said bonds shall be paid for any time which may intervene between the date of any of said bonds and the issue and sale thereof to a purchaser, unless such accrued interest shall have been, by the purchaser of said bond, paid to the state at the time of such sale.

Sec. 3. The sum of five thousand dollars is hereby appropriated to pay the expense that may be incurred by the state treasurer in having said bonds prepared. Said amount shall be paid out of the San Francisco harbor improvement fund on controller's warrants, duly drawn for that purpose.

Sec. 4. When the bonds authorized to be issued under this act shall be duly executed, they shall be by the state treasurer sold at public auction to the highest bidder for cash, in such parcels and numbers as said treasurer shall be directed by the governor of the state, under seal thereof, after a resolution requesting such sale shall have been adopted by the board of state harbor commissioners, and approved by either the governor of the state or mayor of the city and county of San Francisco, shall only approve the same when in their judgment the actual harbor receipts, and those reasonably anticipated, will justify such sale of bonds and the consequent increased burden on harbor receipts; but said treasurer must reject any and all

bids for said bonds, or for any of them, which shall be below the par value of said bonds so offered plus the interest which has accrued thereon between the date of sale and the last preceding interest maturity date; and he may, by public announcement at the place and time fixed for the sale, continue such sale, as to the whole of the bonds offered, or any part thereof, offered, to such time and place as he may select. Before offering any of said bonds for sale the said treasurer shall detach therefrom all coupons which have matured or will mature before the date fixed for such sale. Due notice of the time and place of sale of all bonds must be given by said treasurer by publication in two newspapers published in the city and county of San Francisco, and also by publication in one newspaper published in the city of Oakland, and by publication in one newspaper published in the city of Los Angeles, and by publication in one newspaper published in the city of Sacramento, once a week during four weeks prior to such sale. In addition to the notice last above provided for, the state treasurer may give such further notice as he may deem advisable, but the expenses and cost of such additional notice shall not exceed the sum of five hundred dollars for each sale so advertised. The cost of such publication shall be paid out of the San Francisco harbor improvement fund, on controller's warrants duly drawn for the purpose. The proceeds of the sale of such bonds except such amount as may have been paid as accrued interest thereon shall be forthwith paid over by said treasurer into the treasury, and must be by him kept in a separate fund to be known and designated as the "third San Francisco seawall fund" and must be used exclusively for the construction of wharves, piers, seawall, state railroad, spurs, betterments and appurtenances and necessary dredging and filling in connection therewith on the water front of the city and county of San Francisco. Drafts and warrants upon said fund shall be drawn upon and shall be paid out of said fund in the same manner as drafts and warrants are drawn upon and paid out of the San Francisco harbor improvement fund. The amount that shall have been paid at the sale of said bonds as accrued interest on the bonds sold shall be, by the state treasurer, immediately after such sale, paid into the treasury of the state and placed in the "third San Francisco seawall sinking fund."

Sec. 5. For the payment of the principal and interest of said bonds a sinking fund, to be known and designated as the "third San Francisco seawall sinking fund," shall be, and the same is hereby created, as follows, to wit: The state treasurer, after the second day of July, nineteen hundred and thirty-three, shall on the first day of each and every month thereafter, after the sale of such bonds, take from the San Francisco harbor improvement fund such sum as, multiplied by the time in months, the bonds then sold and outstanding have to run, will equal the principal of the bonds sold and outstanding at the time said treasurer shall so take said sum from said San Francisco harbor improvement fund, less the amount theretofore taken therefrom for said purpose; and he shall place the sum in the third San Francisco seawall sinking fund created by this act. Said state treasurer shall, on controller's warrants duly drawn for that purpose, employ the moneys in said sinking fund in the purchase of the bonds of the United States, or of the State of California, including any bonds authorized, issued and theretofore sold under authority of this act or of the several counties or municipalities of the State of California, which said bonds shall be kept in a proper receptacle, appropriately labeled; but he must keep always on hand a sufficient amount of money in said sinking fund with which to pay the interest on such of the state bonds herein provided to be issued as may have theretofore been sold. The state treasurer may only purchase such bonds authorized and issued under authority of this act with moneys in said sinking fund as have been theretofore sold. And to provide means for the payment of interest on the bonds that may be sold and outstanding, said treasurer shall monthly take from the San Francisco harbor improvement fund, and pay into said seawall sinking fund, an amount equal to the monthly interest then due on all bonds then sold, delivered and outstanding. The board of state harbor commissioners are hereby authorized and directed by the collection of dockage, tolls, rents, wharfage and cramage to collect a sum of money sufficient for the purposes of this act, over and above the amount limited by section two thousand five hundred and twenty-six of the Political Code of the State of California. Between the first and tenth day of May, in the year nineteen hundred and fifty-five and between the first and tenth day of May of each year thereafter until the

maturity of said bonds, the said treasurer shall, in the presence of the governor, proceed to draw by lot such an amount of bonds as shall be requisite to exhaust as nearly as may be the amount in said sinking fund at that time, and shall thereupon and before the tenth day of June following, give notice by public advertisement to be inserted twice a week for two weeks in two newspapers published in the city and county of San Francisco, and also in one newspaper published in the city of Oakland, and also in one newspaper published in the city of Los Angeles, and also in one newspaper published in the city of Sacramento, stating the number of bonds so drawn and that the principal of said bonds will be paid on presentation to the treasurer on or before the second day of July, following, and that from and after such last named date, all interest upon bonds thus drawn shall cease, and it shall be the duty of the treasurer as soon as said bonds so drawn by lot are surrendered to him and paid to cancel the same, and the interest coupons thereon, and each year beginning with the year nineteen hundred and fifty-five, the said treasurer shall in the manner aforesaid, proceed to draw by lot such an amount of bonds as shall be requisite to exhaust as nearly as may be the amount in said sinking fund, and proceed in the manner hereinabove stated. In the event that the state treasurer employs moneys in said sinking fund in the purchase of any bonds authorized, issued and theretofore sold under authority of this act, than at the time in this section provided for the drawing of bonds by lot, and immediately preceding such drawing the state treasurer shall retire and cancel any bonds in said sinking fund authorized, issued and sold under authority of this act, and the amount in said sinking fund remaining at the time shall constitute the amount for the purposes of such drawing. After the payment of all said bonds, the surplus or balance remaining in said sinking fund, if any there be, shall forthwith be paid into the San Francisco harbor improvement fund. At the time of the respective drawings by lot, as aforesaid, and also at the maturity of said state bonds, said treasurer shall sell the United States or other bonds then in said sinking fund, except bonds authorized, issued and sold under authority of this act, at governing market rates, after advertising the sale thereof in the manner hereinbefore provided for the sale of bonds hereby authorized to be issued, and shall use the proceeds for the payment of such bonds as may be drawn by lot, and at the maturity of said bonds outstanding shall pay and redeem said matured outstanding bonds out of said moneys in said fund in extinguishment of said bonds on controller's warrants duly drawn for that purpose.

Sec. 6. The state controller and the state treasurer shall keep full and particular account and record of all their proceedings under this act, and they shall transmit to the governor an abstract of all such proceedings thereunder, with an annual report, to be by the governor laid before the legislature biennially; and all books and papers pertaining to the matter provided for in this act shall at all times be open to the inspection of any party interested, or the governor, or the attorney general, or a committee of either branch of the legislature, or a joint committee of both, or any citizen of the state.

Sec. 7. It shall be the duty of the state treasurer to pay the interest of said bonds, when the same falls due, out of the sinking fund provided for in this act, on controller's warrants duly drawn for that purpose.

Sec. 8. This act, if adopted by the people, shall take effect on the thirty-first day of December, nineteen hundred and fourteen, as to all its provisions except those relating to and necessary for its submission to the people, and for returning, canvassing, and proclaiming the votes, and as to said excepted provisions this act shall take effect ninety days after the final adjournment of the session of the legislature passing this act.

Sec. 9. This act shall be submitted to the people of the State of California for their ratification at the next general election, to be holden in the month of November, nineteen hundred and fourteen, and all ballots at said election shall have printed thereon and at the end thereof, the words, "For the San Francisco harbor improvement act of 1913," and in the same square under said words the following, in briefer type: "This act provides for the improvement of San Francisco harbor and for the payment of all costs thereof out of San Francisco harbor improvement fund." In the square immediately below the square containing said words, there shall be printed on said ballot the words: "Against the San Francisco harbor improvement act of 1913," and immediately below said words "Against the San Francisco harbor improvement act of 1913" in briefer type shall be printed "This act provides for the improvement of San Francisco harbor and for the payment of all costs thereof out of the San Francisco harbor improvement fund." Opposite the words, "For the San Francisco harbor improvement act of 1913" and "Against the San Francisco harbor improvement act of 1913," there shall be left spaces in which the voters may make or stamp a cross to indicate whether they vote for or against said act, and those voting for said act shall do so by placing a cross opposite the words "For the San Francisco harbor improvement act of 1913," and all those voting against the said act shall do so by placing a cross opposite the words "Against the San Francisco harbor improvement act of 1913." The governor of this state shall include the submission of this act to the people, as aforesaid, in his proclamation calling for said general election.

Sec. 10. The votes cast for or against this act shall be counted, returned and canvassed and declared in the same manner and subject to the same rules as votes cast for state officers; and if it appear that said act shall have received a majority of all the votes cast for and against it at said election as aforesaid, then the same shall have effect as hereinbefore provided, and shall be irrevocable until the principal and interest of the liabilities herein created shall be paid and discharged, and the governor shall make proclamation thereof; but if a majority of the votes cast as aforesaid are against this act then the same shall be and become void.

Sec. 11. It shall be the duty of the secretary of state to have this act published in at least one newspaper in each county, or city and county, if one be published therein, throughout this state, for three months next preceding the general election to be holden in the month of November, nineteen hundred and fourteen, the costs of publication shall be paid out of the San Francisco harbor improvement fund, on controller's warrants duly drawn for that purpose.

Sec. 12. This act may be known and cited as the "San Francisco harbor improvement act of 1913."

Sec. 13. All acts and part of acts in conflict with the provisions of this act are hereby repealed.

INVESTMENT COMPANIES ACT.

Submitted to electors by referendum.

Creates state corporation department. Authorizes governor to appoint commissioner of corporations who shall employ necessary deputies, fix their compensation, have control over investment companies and investment brokers and power of examination thereof as in state banks; prohibits issuance of securities before investigation by commissioner, regulates issuance and sale thereof, taking subscriptions therefor, advertisements and circulars respecting same; creates fund from official fees and declares salaries and expenses payable therefrom; provides for broker's permit and agent's certificate, reports by companies and brokers, appeal to court from commissioner's decision, and penalties for violations.

WHEREAS, the legislature of the State of California, in regular session in May, 1913, passed, and the governor of the State of California, on the 28th day of May, 1913, approved a certain law and act, which law and act, together with its title, is in the words and figures following, to wit:

An act to define investment companies, investment brokers, and agents; to provide for the regulation, supervision and licensing thereof; to provide penalties for the violation thereof; to create the office of commissioner of corporations, and making an appropriation therefor.

Thirty-eight

The people of the State of California do enact as follows:

Section 1. This act shall be known as the "Investment companies act."

Sec. 2. (a) The term "investment company," when used in this act, includes every private corporation, association, copartnership and company, which shall within this state, sell, offer for sale, negotiate for the sale of or take subscriptions for any stock, stock certificate, bond or other evidence of indebtedness of any kind or character, issued or to be issued by itself,

other than promissory notes not offered to the public by the maker thereof.

(b) The term "security," when used in this act, includes the stock, stock certificates, bonds, and other evidences of indebtedness, other than promissory notes not offered to the public by the maker thereof, of an investment company.

(c) The term "investment broker," when used in this act, includes every corporation, association, copartnership, company and person who shall within this state regularly engage in the business of selling, offering for sale or negotiating for the sale, as agent or contractor, of any security of more than one investment company. The term "contractor" means any one who undertakes to sell securities for an investment company for a commission or other consideration.

(d) The term "agent," when used in this act, includes every corporation, association, copartnership, company and person who shall within this state sell, offer for sale, negotiate for the sale of or take subscriptions for any security of an investment company, either as an employee on a salary basis or for a commission, if acting either for the investment company or an investment broker.

(e) The term "sale," when used in this act, means the original transfer of title of its own securities from an investment company for any valuable consideration.

Sec. 3. This act shall not apply to corporations, associations, copartnerships, companies, firms and individuals now or hereafter subject to the jurisdiction or authority of the railroad commission, nor to corporations, associations, copartnerships, companies, firms and individuals after they have secured from the state banking department, the insurance commissioner or the bureau of building and loan supervision a certificate of authority or license to do business within this state, nor to corporations, associations, copartnerships or companies, subject to federal regulation or not organized for profit, nor to mutual water companies and irrigation districts, nor to the stocks, stock certificates, bonds or other evidences of indebtedness of such corporations, associations, copartnerships, companies, firms or individuals.

Sec. 4. (a) Before selling, offering for sale, negotiating for sale, or taking subscriptions for, any security of any kind or character, each investment company shall file in the office of the commissioner of corporations of this state, an application for permission so to do, together with a filing fee, as hereinafter prescribed, an itemized statement of its financial condition, in such form and detail as the commissioner of corporations may prescribe, a copy of all contracts which it proposes to make with or sell to the public, a certified copy of its charter, articles of incorporation or articles of association and all amendments thereto, and such additional information pertaining thereto as the commissioner of corporations may, from time to time, prescribe. Said filing fee shall be five dollars if the par or face value of said security amounts to twenty-five thousand dollars or less; ten dollars if the par or face value of said security amounts to over twenty-five thousand dollars and not over fifty thousand dollars; fifteen dollars if the par or face value of said security amounts to over fifty thousand dollars and not over seventy-five thousand dollars; twenty dollars if the par or face value of said security amounts to over seventy-five thousand dollars and not over one hundred thousand dollars; and twenty-five dollars if the par or face value of said security amounts to over one hundred thousand dollars.

(b) If the investment company does not desire to sell its securities to the public the commissioner of corporations may make his written finding to that effect. Upon the filing of said finding the investment company and its securities shall be exempt from the provisions of this act until the commissioner of corporations makes and files his order setting aside said finding. The commissioner of corporations shall have power to make his order setting aside said finding if he finds that the investment company is selling its securities to the public, or for other good cause.

(c) If such company is organized or created under or by virtue of the laws of any other state, territory or government, it shall also file in the office of the commissioner of corporations a certified copy of the law or laws under which it is organized or incorporated, and all amendments thereto, and also, in such form as the commissioner of corporations may prescribe, a written instrument, irrevocable, appointing the commissioner of corporations or his successor in office its true and lawful attorney, upon whom all process in any action or proceeding

against it may be served with the same effect as if said company were organized or created under the laws of this state and had been lawfully served with process therein. Service upon such attorney shall be deemed personal service upon such company. The commissioner of corporations shall forthwith forward by mail, postage prepaid to the person designated by such company by written instrument filed with the commissioner of corporations at the address given in said instrument, or, in case no such instrument has been filed, to the secretary of such company at its last known post office address, a copy of every process served upon him under the provisions of this section. For each copy of process, the commissioner of corporations shall collect the sum of two dollars, which shall be paid by the plaintiff or moving party at the time of such service, to be recovered by him as part of his taxable costs, if he succeeds in the suit or proceedings. Service shall not be deemed complete until said fee has been paid, and said copy of process mailed as hereinbefore directed.

Sec. 5. It shall be the duty of the commissioner of corporations to examine the statement and other information so filed, and he may, if he deems it advisable, make, or have made, at applicant's cost as hereinafter in this act specified, a detailed examination, audit and investigation of the investment company's affairs, providing that the investment company may at its option, in writing, refuse to have such examination, audit or investigation made, whereupon the commissioner of corporations must reject the application. If he finds that the proposed plan of business of the investment company is not unfair, unjust, or inequitable the commissioner of corporations shall issue to the investment company a certificate, authorizing it to sell securities, as therein specified within this state, reciting that the company has complied with the provisions of this act, that detailed information concerning the investment company and its securities is on file in the office of the commissioner of corporations and that the investment company is authorized to sell said securities within this state on such conditions, if any, as the commissioner of corporations may in said certificate prescribe. Said certificate shall recite in bold type that the issuance of this certificate is permissive only and does not constitute a recommendation or endorsement of said securities. The commissioner of corporations may impose such conditions as he may deem necessary to the issue of said securities, and may, from time to time, for cause, rescind, alter or amend the certificate. If the commissioner of corporations finds that the proposed plan of business of the investment company is unfair, unjust, or inequitable or that it does not intend to do a fair and honest business, he shall refuse to issue the certificate and shall notify the investment company in writing of his decision. It shall be unlawful to issue any security to which this act is applicable unless a certificate or a temporary permit authorizing the issue thereof shall first have been secured from the commissioner of corporations as provided in this act; and it shall further be unlawful for any investment company, investment broker or agent as in this act defined, to sell, offer for sale, negotiate for the sale of or take subscriptions for any stock, stock certificate, bond or other evidence of indebtedness of any kind or character without exhibiting to the prospective purchaser or prospective purchasers of such securities, or any thereof, a copy of the certificate issued to such investment company in accordance herewith. A corporation may without applying for a certificate under the provisions of this act issue to each of its directors one share of stock for the purpose of qualifying as directors. The commissioner of corporations, if satisfied that the investment company intends to do a fair, just and equitable business, may, forthwith upon the filing of the statement and other papers required by section four of this act, issue to said investment company, upon such conditions as he may prescribe, a temporary permit to issue its securities pending the examination of said statement and other papers, and may, from time to time, for cause, rescind, alter or amend said temporary permit.

Sec. 6. The provisions of sections four and five of this act, in so far as applicable, shall apply to investment brokers: provided, that the commissioner of corporations may, if he finds that the applicant has a good business reputation and deals only in good securities, issue to an investment broker a general permit entitling such investment broker to sell securities within this state, authorized by him, until the first of March following, when it will be necessary to secure a new general permit. For each such general permit the commissioner of corporations shall charge the sum of five dollars. Such general permit, however, shall be

subject to revocation by the commissioner of corporations at any time for cause appearing to him sufficient. The commissioner of corporations shall forthwith mail written notice of such revocation to the investment broker.

Sec. 7. Any investment company or investment broker may appoint one or more agents, but it shall be unlawful for any such agent to do any business as specified in this act until he shall have secured from the commissioner of corporations a certificate authorizing him to represent such investment company or investment broker within this state until the first of March following, when it will be necessary to secure a new certificate. For each certificate the commissioner of corporations shall charge the sum of one dollar. Such certificate, however, shall be subject to revocation by the commissioner of corporations at any time for cause appearing to him sufficient.

Sec. 8. The commissioner of corporations shall have general supervision and control, as provided in this act, over any and all investment companies and investment brokers, and all such investment companies and investment brokers shall be subject to examination by the commissioner of corporations or a duly authorized deputy at any time the commissioner of corporations may deem it advisable to have such examination made to carry out any provision of this act, and in the same manner and with the same powers as is now, or may hereafter be provided for the examination of state banks. Such investment company or investment broker shall pay to the commissioner of corporations, for each examination, a fee of ten dollars and traveling expenses for each day or fraction thereof that he or his deputy shall necessarily be absent from his office for the purpose of making such examination, and the failure or refusal of any investment company or investment broker to pay such fee upon the demand of the commissioner of corporations shall work a forfeiture of its or his rights to sell any further securities in this state until such fee shall have been paid to the commissioner of corporations, with interest at the rate of seven per cent from the time of the demand of the commissioner of corporations and an additional twenty-five per cent of such fee by way of penalty.

Sec. 9. It shall be unlawful for any investment company, investment broker or agent to issue, circulate or deliver any advertisement, pamphlet, prospectus, circular or statement or other document in regard to securities which it desires to sell in this state until after such investment company, investment broker or agent shall have been licensed to sell such securities as provided in this act. It shall be unlawful for any such licensed investment company, investment broker or agent to issue, circulate or deliver any such advertisement, pamphlet, prospectus, circular, statement or other document, unless the same shall be signed with the name of the investment company or investment broker and bear a serial number and a copy thereof shall first have been filed with the commissioner of corporations. The commissioner of corporations may for cause object to any such advertisement, pamphlet, prospectus, circular, statement or other document, whereupon it shall be unlawful for such investment company, investment broker or agent to further issue, circulate or deliver such advertisement, pamphlet, prospectus, circular, statement or other document.

Sec. 10. (a) Every investment company, until it shall have sold all the securities authorized by the commissioner of corporations and disposed of the proceeds thereof, shall file in the office of the commissioner of corporations, under date of December 31st and June 30th of each year, and within fifteen days after said dates, and also at such other times as may be required by the commissioner of corporations, a report setting forth in such form as the commissioner of corporations may prescribe, the securities authorized by him and sold under the provisions of this act, the proceeds derived therefrom, the disposition of such proceeds and such other information concerning its affairs relating to the subject matter of this act, as the commissioner of corporations may require.

(b) Every investment broker shall when called upon by the commissioner of corporations file in his office a report giving such information as he may call for, relating to the securities, the sale of which has been authorized under the provisions of this act.

Sec. 11. All papers, documents, reports and other instruments in writing filed with the commissioner of corporations under this act shall be open to public inspection; provided, that if in his judgment the public welfare or the welfare of any investment company demands that any portion of such information be not made public he may withhold such information from public inspection for such time as in his judgment is necessary.

Forty

Sec. 12. An appeal may be taken from any decision of the commissioner of corporations under this act by filing with the clerk of the superior court of the State of California, in and for the city and county of San Francisco, a certified transcript of the papers in the office of the commissioner of corporations relating to such decision. It shall be the duty of the commissioner of corporations to make and certify to said transcript upon payment to him of a fee of ten cents for each folio and one dollar for the certification. The court shall upon such appeal be limited to a consideration of the question whether there has been abuse of discretion on the part of the commissioner of corporations in making such decision.

Sec. 13. Any person who shall knowingly or wilfully subscribe to or make or cause to be made any false statement or false entry in any book of any investment company or investment broker, or exhibit any false paper with the intention of deceiving any person authorized to examine into its affairs, or who shall make or publish any false or misleading statement of its financial condition or concerning the securities by it offered for sale, shall be guilty of a misdemeanor and shall be punishable by a fine not exceeding one thousand dollars or by imprisonment in a county jail not exceeding one year or by both such fine and imprisonment.

Sec. 14. Any corporation, association, copartnership or company which violates or fails to comply with any of the provisions of this act, or which fails, omits or neglects to obey, observe or comply with any order, decision, demand or requirement, or any part or provision thereof, of the commissioner of corporations under the provisions of this act, is subject to a penalty of not less than five hundred dollars nor more than two thousand dollars for each and every offense, which penalty if unpaid after demand by the commissioner of corporations shall be recovered in an action brought in the name of the people of the State of California by the attorney general.

Sec. 15. Every person who violates or fails to comply with any of the provisions of this act or who fails, omits or neglects to obey, observe or comply with any order, decision, demand or requirement, or any part or provision thereof, of the commissioner of corporations under the provisions of this act in any case in which a different penalty is not specifically provided, is guilty of a misdemeanor and is punishable by a fine of not exceeding thousand dollars, or by imprisonment in a county jail not exceeding one year, or by both such fine and imprisonment.

Sec. 16. There is hereby created a state corporation department. The chief officer of such department shall be the commissioner of corporations. He shall be appointed by the governor and hold office at the pleasure of the governor. He shall receive an annual salary of five thousand dollars, to be paid monthly out of the state treasury upon a warrant of the controller. He shall within fifteen days from the time of notice of his appointment take and subscribe to the constitutional oath of office and file the same in the office of the secretary of state and execute to the people of the state a bond in the penal sum of ten thousand dollars with corporate security or two or more sureties, to be approved by the governor of the state, for the faithful discharge of the duties of his office.

Sec. 17. The commissioner of corporations shall employ such clerks and deputies as he may need to discharge in proper manner the duties imposed upon him by law. Neither the commissioner of corporations nor any of his clerks or deputies shall be interested in any investment company, or investment broker, as director, stockholder, officer, member, agent or employee. Such clerks and deputies shall perform such duties as the commissioner of corporations shall assign to them. He shall fix the compensation of such clerks and deputies which compensation shall be paid monthly on the certificate of the commissioner of corporations, and on the warrant of the controller out of the state treasury; provided, however, that the total expenditures provided for in this act shall not exceed fifty thousand dollars per annum. Each deputy shall within fifteen days after his appointment take and subscribe to the constitutional oath of office and file the same in the office of the secretary of state.

Sec. 18. The commissioner of corporations shall have his office in the city of Sacramento and he shall from time to time obtain the necessary furniture, stationery, fuel, light and other proper conveniences for the transaction of the business of the state corporation department, the expenses of which shall be paid out of the state treasury on the certificate of the commissioner of corporations and the warrant of the controller.

Sec. 19. A fund is hereby created to be known as the "corporation commission fund" and out of said fund shall be paid

all the expenses incurred in and about the conduct of the business of the corporation department, including the salary of the commissioner and his clerks and deputies, traveling expenses, furnishing rooms and rent. All moneys collected or received by the

commissioner of corporations under and by virtue of the provisions of this act shall be delivered by him to the treasurer of the state, who shall deposit the same to the credit of said corporation commission fund. And all such fund so deposited or such part thereof as may be necessary for the purposes of this act are hereby appropriated to the use of the corporation commission fund for the purposes of this act. It shall be the duty of the commissioner of corporations semi-annually to certify under oath to the state treasurer and secretary of state the total amount of receipts and expenditures of the state corporation department for the six months preceding. All fees and payments of every description required by this act to be paid to the commissioner of corporations shall be paid by him to the state treasurer on the first day of each week following their receipt by the commissioner of corporations.

Sec. 20. The commissioner of corporations shall adopt a seal with the words "Commissioner of Corporations, State of California," and such other device as the commissioner of corporations may desire engraved thereon by which he shall authenticate the proceedings of his office. Copies of all records and papers in the office of the corporation department shall be received in evidence of all cases equally and with like effect as the originals.

Sec. 21. Every official report made by the commissioner of corporations and every report, duly verified, of an examination made, shall be prima facie evidence of the facts therein stated for all purposes in any action or proceedings wherein any investment company or investment broker is a party.

Sec. 22. If any section, sub-section, sentence, clause or phrase of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act. The legislature hereby declares that it would have passed this act, and each section, sub-section, sentence, clause, and phrase thereof irrespective of the fact that any one or more other sections, sub-sections, sentences, clauses or phrases be declared unconstitutional.

Sec. 23. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed.

Sec. 24. The sum of ten thousand dollars is hereby appropriated out of any moneys in the state treasury not otherwise appropriated for the purpose of carrying this act into effect.

Sec. 25. This act shall take effect November 1, 1913.

AND WHEREAS, said regular session of the said legislature finally adjourned May 12, 1913, and ninety days having not expired since said final adjournment;

Now, therefore, sufficient qualified electors of the State of California have presented to the secretary of state their petitions asking that said law and act hereinbefore set forth, so passed by the legislature and approved by the governor, as hereinbefore stated, be submitted to the electors of the State of California for their approval or rejection.

ARGUMENT IN FAVOR OF INVESTMENT COMPANIES ACT.

This is the "Blue Sky Law," so-called.

Its purpose is to provide for the protection of investors in stocks and bonds of corporations:

First—By preventing the sale, or offering for sale, by a corporation of stocks or bonds until such corporation has submitted to the commissioner of corporations (an officer created by the act) its plan of business, place of business, amount of stock or bonds to be issued, authorized capital stock, its property or assets, etc., and shall have obtained from such commissioner a license or permit to sell its stocks or bonds.

Second—By preventing the false or fraudulent advertising of such stocks or bonds, by requiring such corporation to submit all such advertising to such commissioner of corporations, who shall have power to prohibit any false or misleading advertising.

Third—By providing for the appointment of a commissioner of corporations with powers and duties very similar to those of the superintendent of banks. In fact, the statement of the duties and powers is largely copied from the Bank Act; and the commissioner of corporations is to exercise toward corporations in general, duties similar to those exercised toward banks by the superintendent of banks; those exercised toward insur-

ance corporations by the insurance commissioner; those exercised toward public utilities by the railroad commission; and those exercised toward the building and loan corporations by the building and loan commissioner.

The act is intended to protect the investing public against the purchase of worthless or fraudulently issued stocks and bonds, by providing a supervision of the corporations offering such stocks and bonds for sale and by compelling such corporations to show that the plan under which they propose to operate is measurably, at least, businesslike, with reasonable prospect of success; and by preventing the issuance of false, deceptive and misleading representations with respect to such stocks and bonds. It is intended to furnish protection to the credulous investor, usually the poor investor, who has no means at his own command to make such an investigation as is necessary to insure him protection in his investments. The necessity for the act grew out of the many swindling sales of stocks and bonds by vicious or irresponsible corporations having no tangible or sufficient assets or honest or rational plan of business. It is believed to be as fairly safeguarded as is possible for the protection of the public, and at the same time sufficiently flexible to allow legitimate business to continue without unnecessary interference.

LEE C. GATES,

State Senator Thirty-fourth District.

ARGUMENT AGAINST INVESTMENT COMPANIES ACT.

If this bill would prevent fraudulent transactions in securities without interfering with legitimate development, it should receive favorable consideration. This act provides that one man will determine whether or not a given plan of business is fair, just, or equitable, and will then authorize the sale of securities by issuing a certificate reciting in bold type that its issuance is permissive only and does not constitute a recommendation or endorsement of the securities.

It is not within the range of possibility that any one man can individually determine whether the multitude of plans of business that will be submitted to him are fair, just, or equitable. It is not possible within the range of reasonable economy for this to be done by the employment of assistants. Based upon actual experience of the failure of seemingly good plans, the commissioner may refuse certificates in almost ninety per cent of the applications. It is the intent to protect against fraud, yet many enterprises may be denied development by reason of a consideration of such failures, and the development which comes from the legitimate speculative tendency of the small investor, by reason of which tendency great development has been made possible, would be greatly retarded. Initiative and development being then dependant upon the banking interests must largely cease and the business of the state will stagnate.

The act also provides for the regulation of all corporations, firms or co-partnerships engaged in miscellaneous business which may desire to issue any form of acknowledgment of indebtedness (excepting notes not offered for public sale), and such regulation is open to the objection that it is not practicable, for the same reasons—one man can not do it, and a corps of assistants necessary for the purpose would involve the state in enormous expense, out of proportion with the good to be accomplished. Legitimate business in the state by virtue of investigations provided may be subjected to unnecessary expense and annoyance.

It opens an avenue for vicious corruption. Provision made for the certificate that the securities may be offered for sale, and which may be issued as a result of the plausible showing of those most gifted in the art of deception, would offer to the swindler the most telling device for deceiving the ignorant.

The measure is wrong in principle. It will not be effective and its drastic application to legitimate enterprise will inflict more damage than the good it will accomplish.

FRANCIS V. KESSELING.

Forty-one

WATER COMMISSION ACT.

Submitted to electors by referendum.

Creates state water commission for control of appropriation and use of waters; defines right in riparian and unappropriated waters; prescribes procedure for investigation of waters and water rights, appropriation thereof, apportionment of same between claimants, issuance of licenses, and revocation thereof; declares present rights of municipal corporations unaffected.

WHEREAS, the legislature of the State of California, in regular session in May, 1913, passed, and the governor of the State of California, on the 16th day of June, 1913, approved a certain law and act, which law and act, together with its title, is in the words and figures following, to wit:

An act to regulate the use of water which is subject to such control by the State of California, and in that behalf creating a state water commission; specifying and providing for the appointment of the members of said commission; fixing the terms of office and compensation of the members of said commission; fixing the powers, duties and authority of said commission and its members; providing for the filling of vacancies in the membership of said commission; providing for the removal from office of the appointed members of said commission; providing for the co-operation of courts with said commission; providing that certain courts shall take judicial notice of certain acts of the state water commission; specifying the duties of all persons summoned as witnesses before said commission or any of its members; appropriating money for carrying out the provisions of this act; providing for the payment of the indebtedness and expenses of said commission, its members and employees; declaring what water is unappropriated; providing for the utilization of water and the works necessary to such utilization to the full capacity of streams or of such portion or portions of such capacity as the public good may require; declaring what water may be appropriated; declaring that the non-application for ten consecutive years of any portion of the waters of any stream to lands riparian to such stream shall be conclusive presumption that the use of such non-applied water is not needed on said riparian lands for a useful or beneficial purpose; declaring that such non-applied water shall be deemed to be in the use of the state and subject to appropriation; declaring the duties of those who desire to appropriate water; declaring the periods for which water may be appropriated and the conditions under which water may be appropriated; providing for the payment of fees and charges by the applicants for permission to appropriate water and by the appropriators of water; providing for the ascertainment and adjudication of water rights; providing for the bringing of actions by certain persons, or, upon the direction of the state water commission, by the attorney general, for the quieting of title to water rights; specifying certain duties of the claimants, possessors or users of water or water rights; declaring water rights forfeited under certain conditions; regulating the appropriation of water; excepting cities, cities and counties, municipal water districts, irrigation districts and lighting districts from certain provisions of this act; defining certain words and terms used in this act; repealing all acts or parts of acts in conflict with this act; declaring how this act shall be known; making legislative declaration concerning those parts of this act which may not be declared unconstitutional.

The people of the State of California do enact as follows:

Section 1. For the purpose of carrying out the provisions of this act a state water commission consisting of five persons is hereby created and established. Two members of said commission shall be, ex officio, the governor of the state and

the state engineer, respectively. Three members of said commission shall be appointed by the governor for the term of four years; provided, however, that of the members first appointed one shall be appointed to hold office until the first day in January, nineteen hundred and fourteen, one until the first day in January, nineteen hundred and fifteen, and one until the first day in January, nineteen hundred and sixteen. Such appointive commissioners shall be men of practical knowledge or experience in the application and use of waters for irrigation, mining and municipal purposes, and shall be so appointed that at least one thereof shall have had practical knowledge and experience in the use of water for agricultural purposes, and one thereof shall have had practical knowledge and experience in the use of water for mining purposes, and one thereof shall have had practical knowledge and experience in the use of water for municipal purposes. The commissioners shall elect one of their number president of the commission. The appointed members of said commission shall each receive as compensation for his services the sum of five thousand dollars per annum. No commissioner who is directly or indirectly interested in any matter before the commission shall sit with the commission during the hearing of such matter; nor shall he be detailed by the commission to investigate or report on any such matter; nor shall he take part in any determination of any such matter. But the governor shall have the power and authority, upon request of the commission, to appoint pro tempore some disinterested person to sit and act in the place and stead of such interested commissioner. Such pro tempore commissioner shall have compensation for the time of service equal to the compensation of a commissioner during such service and shall have the power and authority of the same, only in the matter for the investigation and determination of which he shall have been appointed and his connection with the commission shall cease and determine upon the completion of the investigation and determination for which he was appointed. But the commissioner in whose place and stead he sits shall have power, compensation and authority in all other cases.

Sec. 2. Whenever a vacancy in the state water commission shall occur, the governor shall forthwith appoint a qualified person to fill the same for the unexpired term. The legislature, by a two-thirds vote of all members elected to each house, or the governor, may remove any one or more of the appointed commissioners from office. The commission shall have a seal bearing the following inscription: State water commission of California. The seal shall be affixed to all authentications of copies of records and to such other instruments as the commission may direct. All courts shall take judicial notice of said seal.

Sec. 3. A majority of the appointed commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. No vacancy in the commission shall impair the right of the remaining commissioners to exercise all the powers of the commission. The act of a majority of the com-

missioners present, when in session as a board, shall be deemed to be the act of the commission; but any investigations, inquiry or hearing which the commission has power to undertake or hold shall be undertaken or held by or before any commissioners or commissioner designated for the purpose by the commission; and any finding, order, ascertainment or decision made by the commissioners or the commissioner so designated pursuant to such investigation, inquiry or hearing, when approved by the commission and ordered filed in its office, shall be and be deemed to be the finding, order, ascertainment or decision of the commission.

Sec. 4. (a) Each commissioner shall have power to administer oaths, certify to all official acts, and to issue subpoenas for the attendance of witnesses and the production of papers, books, maps, accounts, documents and testimony in any inquiry, investigation, hearing, ascertainment or proceeding ordered or undertaken by the commission in any part of the state. Each witness who shall appear by order of the commission or any commissioners or a commissioner shall receive for his attendance the same fees and mileage allowed by law to witnesses in civil cases, which amount shall be paid by the party at whose request such witness is subpoenaed. When any witness who has not been required to attend at the request of any party shall be subpoenaed by the commission his fees and mileage shall be paid from the funds appropriated for the use of the commission in the same manner as other expenses of the commission are paid. Any witness subpoenaed, except one whose fees and mileage may be paid from the funds of the commission, may, at the time of service, demand the fee to which he is entitled for travel to and from the place at which he is required to appear and one day's attendance. If such witness demands such fees at the time of service, and they are not at that time paid or tendered, he shall not be required to attend before the commission or commissioners as directed in the subpoena. All fees and mileage to which any witness is entitled under the provisions of this section may be collected by action therefor instituted by the person to whom such fees are payable. But no witness shall be compelled to attend as a witness before the water commission or any water commissioner or water commissioners out of the county in which he resides, unless the distance be less than thirty miles from his place of residence to the place of hearing.

(b) The superior court of the county or city and county in which any inquiry, investigation, hearing or proceedings may be held by the commission or any commissioner or commissioners shall have the power to compel the attendance of witnesses and the production of papers, maps, books, accounts, documents and testimony as required by any subpoena issued by the commission or any commissioner or commissioners. The commission, commissioners or commissioner before whom the testimony is to be given or produced may, in case of the refusal of any witness to attend or testify or produce any papers, maps, books, accounts or documents required by such subpoena, report to the superior court in and for the county or city and county in which the proceeding is pending by petition, setting forth that due notice has been given of the time and place of attendance of said witness, or for the production of said papers, maps, books, accounts or documents and that the witness has been summoned in the manner prescribed in this act, and that the witness has failed and refused to attend or produce the papers, maps, books, accounts or documents required by the subpoena before the commission, commissioners, or commissioner in the cause or proceeding named in the notice and subpoena, or has refused to answer questions propounded to him in the course of such cause or proceeding, and ask an order of said court, compelling the witness to attend, testify, and produce said papers, maps, books, accounts or documents before the commission, or commissioners, or commissioner. The court, upon the petition of the commission or commissioners or commissioner, shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in such order, the time to be not more than ten days from the date of the order, and then and there show cause, if any he have, why he refused to obey said subpoena, or refused to answer questions propounded to him by said commission, or any commissioners or any commissioner, or neglected, failed or refused to produce before said commission, or any commissioners or commissioner the books, papers, maps, accounts or documents called for in said subpoena. A copy of said order and the petition therefor shall be served upon said witness. If it shall appear to the court that said subpoena was regularly issued by the commission or any commissioners or a commis-

sioner, the court shall thereupon enter an order that said witness appear before the commission or commissioners or commissioner at the time and place fixed in said order, and testify or produce the required papers, maps, books, accounts or documents, or both testify and produce; and upon failure to obey said order said witness shall be dealt with as for contempt of court.

(c) The state water commission or any commissioners or commissioner, or any party to a proceeding before the commission or any commissioners or any commissioner, may in any investigation or hearing before the commission or any commissioners or any commissioner cause the deposition of witnesses residing within or without the state to be taken in the manner prescribed by law for depositions in civil actions in the superior courts of this state.

(d) No person shall be excused from testifying or from producing any book, map, document, paper or account in any investigation or inquiry by or hearing before the commission or any commissioners or commissioner upon the ground that the testimony or evidence, book, map, document, paper or account required of him may tend to incriminate him or subject him to penalty or forfeiture. But no person shall be prosecuted, punished or subjected to any penalty or forfeiture for or on account of any act, transaction, matter or thing material to the matter under investigation by said commission, or any commissioners, or any commissioner concerning which he shall have been compelled to testify or to produce documentary evidence; provided, that no person so testifying or producing shall be exempt from prosecution and punishment for any perjury committed by him in his testimony.

Sec. 5. A full and accurate record of business or acts performed or of testimony taken by the commission or any member or members thereof in pursuance of the provisions of this act shall be kept and be placed on file in the office of said water commission.

Sec. 6. The state water commission shall take, charge and collect the following fees: for copies and records not required to be certified or otherwise authenticated by the commission, ten cents for each folio; for certified copies of official documents and orders filed in its office, fifteen cents for each folio, and one dollar for every certificate under seal affixed thereto; for certified copies of evidence and proceedings before the commission, fifteen cents for each folio. The commission may fix reasonable charges for publications issued under its authority. All fees charged and collected under this section shall be paid, at least once each week, accompanied by a detailed statement thereof, into the treasury of the state.

Sec. 7. For the purpose of carrying out the provisions of this act the state water commission is authorized to pass such necessary rules and regulations as it may from time to time deem advisable, and to appoint and remove at its pleasure a secretary who shall have charge of its books and records and perform such other duties as from time to time may be prescribed and whose salary shall be fixed by the water commission; and the state water commission may also employ such expert, technical and clerical assistance, and upon such terms, as it may deem proper.

Sec. 8. For the purpose of carrying out the provisions of this act the sum of fifty thousand dollars is hereby appropriated for the fiscal years 1913-1914 and 1914-1915 out of any money in the state treasury not otherwise appropriated; and the state controller is hereby authorized and directed to draw warrants upon such sum from time to time upon the requisition of the state water commission approved by the state board of control, and the state treasurer is hereby authorized and directed to pay such warrants.

Sec. 9. All indebtedness incurred for salaries, and all necessary costs in traveling and other expenses of said commission, and each of its members and persons employed by it, while actually engaged in the business of said commission, shall be paid by the state out of the funds hereby appropriated, upon the sworn statement of the person or persons incurring such indebtedness, and upon the requisition of the state water commission, approved by the state board of control, and the state controller is hereby authorized to draw warrants upon the state treasurer for said indebtedness, salaries, costs and expenses, as provided by law for the payment of similar costs and expenses and the drawing of similar warrants.

Sec. 10. The state water commission is hereby authorized and empowered to investigate for the purpose of this act all

streams, stream systems, portions of stream systems, lakes, or other bodies of water, and to take testimony in regard to the rights to water or the use of water thereon or therein, and to ascertain whether or not such water, or any portion thereof, or the use of said water or any portion thereof, heretofore filed upon or attempted to be appropriated by any person, firm, association, or corporation, is appropriated under the laws of this state.

Sec. 11. All water or the use of water which has never been appropriated, or which has been heretofore appropriated and which has not been in process, from the date of the initial act of appropriation, of being put, with due diligence in proportion to the magnitude of the work necessary properly to utilize for the purpose of such appropriation such water or the use of water, or which has not been put, or which has ceased to be put to some useful or beneficial purpose, or which may hereafter be appropriated and cease to be put, to the useful or beneficial purpose for which it was appropriated, or which in the future may be appropriated and not be, in the process of being put, from the date of the initial act of appropriation, to the useful or beneficial purpose for which it was appropriated, with due diligence in proportion to the magnitude of the work necessary properly to utilize for the purpose of such appropriation such water or the use of water, is hereby declared to be unappropriated. And all waters flowing in any river, stream, canyon, ravine or other natural channel, excepting so far as such waters have been or are being applied to useful and beneficial purpose upon, or in so far as such waters are or may be reasonably needed for useful, and beneficial purposes upon lands riparian thereto, or otherwise appropriated, is and are hereby declared to be public waters of the State of California and subject to appropriation in accordance with the provisions of this act. If any portion of the waters of any stream shall not be put to a useful or beneficial purpose to or upon lands riparian to such stream for any continuous period of ten consecutive years after the passage of this act, such non-application shall be deemed to be conclusive presumption that the use of such portions of the waters of such stream is not needed upon said riparian lands for any useful or beneficial purpose; and such portion of the waters of any stream so non-applied, unless otherwise appropriated for a useful and beneficial purpose is hereby declared to be in the use of the state and subject to appropriation in accordance with the provisions of this act. In any case where a reservoir or reservoirs have been or shall hereafter under the provisions of this act be constructed or surveyed, laid out and proposed to be constructed for the storage of water for a system, which water is to be used at one or more points under appropriations of water heretofore or hereafter made, which appropriations and rights thereunder are now, or shall hereafter be held and owned by the person or corporation owning such reservoir site or sites and constructing such reservoir or reservoirs, such reservoir or reservoirs and appropriations and rights shall, in the discretion of the state water commission, constitute a single enterprise and unit, and work of constructing such reservoir or reservoirs, or any of them, or work on any one of such appropriations shall, in the discretion of said commission, be sufficient to maintain and preserve all such applications for appropriations and rights thereunder.

Sec. 12. The state water commission shall have authority to, and may, for good cause shown, upon the application of any appropriator or user of water under an appropriation made and maintained according to law prior to the passage of this act, prescribe the time within which the full amount of the water appropriated shall be applied to a useful or beneficial purpose; provided, that said appropriator or user shall have proceeded, with due diligence in proportion to the magnitude of the project, to carry on the work necessary to put the water to a beneficial use; and in determining said time said commission shall grant a reasonable time after the construction of the works or canal or ditch or conduits or storage system used for the diversion, conveyance or storage of water; and in doing so said commission shall also take into consideration the cost of the application of such water to the useful or beneficial purpose, the good faith of the appropriator, the market for water or power to be supplied, the present demand therefor, and the income or use that may be required to provide fair and reasonable returns upon the investment and any other facts or matters pertinent to the inquiry. Upon prescribing such time the state water commission shall issue a certificate showing its determination of the matter. For good

cause shown, the state water commission may extend the time by granting further certificates. And, for the time so prescribed or extended, the said appropriator or user shall be deemed to be putting said water to a beneficial use.

And if at any time it shall appear to the state water commission, after a hearing of the parties interested and an investigation, that the full capacity of the works built or constructed, or being built or constructed, under an appropriation of water or the use thereof made under the provisions of this act has not developed or can not develop the full capacity of the stream at the point where said works have been or are being built or constructed, and that the holder of the said appropriation will not or can not, within a period deemed to be reasonable by the commission, develop the said stream at said point to such a capacity as the commission deems to be required by the public good, then and in that case the said commission, in its discretion, may permit the joint occupancy and use, with the holder of the appropriation, to the extent necessary to develop the stream to its full capacity or to such portion of said capacity as may appear to the state water commission to be advisable, by any and all persons, firms, associations, or corporations applying therefor, of any dam, tunnel, diversion works, ditch, or other works or constructions already built or constructed or in process of being built or constructed under this act; provided, that said commission shall take into consideration the reasonable cost of the original and new work, the good faith of the applicant, the market for water or power to be supplied by the original and the new work, and the income or use that may be required to provide fair and reasonable returns upon such cost; provided, further, that the applicant or applicants shall be required to pay to the party or parties owning said dam, tunnel, diversion works, ditch, or other works or constructions a pro rata portion of the total cost of the old and the new works, said pro rata portion to be based upon the proportion of the water used by the original and the subsequent users of said dam, tunnel, diversion works, ditch, or other works or constructions, if the water is used or to be used for irrigation or domestic purposes; or, if the water is used or to be used for the generation of electricity, or electrical or other power, the said pro rata portion shall be based upon the relative amount of electricity or electrical or other power capable of being developed by the original and the new works; or, if a portion of the water utilized under a joint occupancy of any dam, tunnel, diversion works, ditch, or other works or construction, shall be used for the purpose of irrigation and another portion of said water shall be used for the generation of electricity or electrical or other power, then and in that case the applicant or applicants for joint occupancy shall be required to pay to the party or parties owning said dam, tunnel, diversion works, ditch, or other works or constructions a pro rata portion of the total cost of the old and new works, said pro rata portion to be based upon the proportion of the relative amount of water used by each joint occupant and the income derived by each said joint occupant from said joint occupancy; or, if any of the waters used under such joint occupancy shall be utilized for purposes other than those specified above, then and in that case the applicant or applicants for such joint occupancy shall be required to pay to the party or parties owning said dam, tunnel, diversion works, ditch, or other works or constructions, such a pro rata portion of the total cost of the old and new works as shall appear to the state water commission to be just and equitable. Said applicant or applicants shall also be required to pay a proper pro rata share, based as above, of the cost of maintaining said dam, tunnel, diversion works, ditch or other works or constructions, on and after beginning the occupancy and use thereof. Furthermore, the state water commission if it appears to the said commission that the full capacity of the works built or constructed, or being built or constructed, under an appropriation of water or the use thereof under this act, will not develop the full capacity of the stream at that point, and it appears to the commission that the public good requires it, and the commission specifically so finds after investigation and hearing of the parties interested, may permit any person, firm, association or corporation to repair, improve, add to, supplement, or enlarge, at his or its proper cost, charge expense, any dam, tunnel, diversion works, ditch, or other works or constructions already built or constructed or in process of being built or constructed under the provisions of this act, and to use the same jointly with the owners thereof; provided, that

the said repairing, improving, adding to, supplementing, or enlarging, shall not materially interfere with the proper use thereof by the owner of said dam, tunnel, diversion works, ditch, or other works or constructions or shall not materially injure dam, tunnel, diversion works, ditch or other works or constructions. And the state water commission shall determine the pro rata and other costs provided for in this section.

Sec. 13. All rights granted or declared by this act shall be ascertained, adjudicated and determined in the manner and by the tribunals as provided in this act.

Sec. 14. This act shall not be held to bestow, except as expressly provided in this act, upon any person, firm, association or corporation, any right where no such right existed prior to the time this act takes effect.

Sec. 15. The state water commission shall allow, under the provisions of this act, the appropriation of unappropriated water or of the use thereof, or of water or of the use thereof which may hereafter cease to be appropriated, or which may hereafter be declared to be unappropriated, or which, having been used under claim of riparian proprietorship or appropriation finds its way back into a stream, lake or other body of water and also such water as is declared under section eleven of this act to be subject to appropriation.

Sec. 16. Every application for a permit to appropriate water shall set forth the name and post-office address of the applicant, the source of water supply, the nature and amount of the proposed use, the location and description of the proposed headworks, ditch, canal and other works; the proposed place of diversion and the place where it is intended to use the water; the time within which it is proposed to begin construction, the time required for completion of the construction, and the time for the complete application of the water to the proposed use. If for agricultural purposes, the application shall, besides the above general requirements, give the legal subdivisions of the land and the acreage to be irrigated, as near as may be; if for power purposes, it shall give, besides the general requirements prescribed above, the nature of the works by means of which the power is to be developed, the head and amount of water to be utilized, and the use to which the power is to be applied; if storage in a reservoir, it shall give, in addition to the general requirements prescribed above, the height of dam, the capacity of the reservoir, and the use to be made of the impounded waters; if for municipal water supply, it shall give, besides the general requirements specified above, the present population to be served, and, as near as may be, the future requirements of the city; if for mining purposes, it shall give, in addition to the general requirements prescribed above, the nature and location of the mines to be served and the methods of supplying and utilizing the water. All applications shall be accompanied by as many copies of such maps, drawings, and other data as may be prescribed or required by the state water commission, and such maps, drawings, and other data shall be considered as parts of the application. If any permittee or licensee, or the heirs, successors, or assigns of any permittee or licensee, desire to change the point of diversion from the point of diversion specified in the original application, or after the granting of any permit or license, such change or changes may be made only upon the permission of the state water commission; provided, that, before granting such permission, such applicant must establish, to the satisfaction of the state water commission, and such commission must so find, that such change in the place of diversion will not operate to the injury of any other appropriator or legal user of such waters before permitting such change in the place of the diversion. Upon receipt of application for permission to make such change in the place of diversion, the commission shall, by order, fix a time within which any person interested may appear in opposition to such application, and such applicant shall, if the commission so require, cause to be published at least once a week for four consecutive weeks, in a newspaper or newspapers of general circulation in the county in which is situated both the old and new points of diversion, a copy of said order. Proof of such publication shall be by affidavit of the publisher of such newspaper. Should any objection be made to the change in point of diversion so applied for, the state water commission shall fix a time for the hearing of said application and of the objections thereto, which time shall be not less than thirty days nor more than sixty days after the period of said publication, and upon such hearing the said commission shall grant or refuse, as the facts shall warrant, such permission to change place of diversion.

Sec. 17. Any person, firm, association or corporation may apply for and secure from the state water commission, in conformity with this act and in conformity with reasonable rules and regulations adopted from time to time by the state water commission, a permit for any unappropriated water or for water which having been appropriated or used flows back into a stream, lake or other body of water within this state. And any application so made shall give to the applicant a priority of right as of the date of said application to such water or the use thereof until such application shall have been approved or rejected by said commission; provided, that such priority shall continue only so long as the provisions of law and the rules and regulations of the water commission shall be followed by the applicant. Upon the approval of any application by the commission, said approval shall give priority of right as of the date of said application, and shall give the right to take and use the amount of water specified in said approval until the issuance by the state water commission of a license for the use of said amount of water, or until the said commission refuses to issue said license. But the approval of any application shall give the right to take and use water only to the extent and for the purpose allowed in said approval; provided, that any defective application made in a bona fide attempt to conform to the rules and regulations of the state water commission and to the law shall secure to the applicant a priority of right as of the date of said application until he shall have been notified by said commission in what respect his application is defective. And said applicant shall be allowed sixty days after notice of said defect in which to file an amended and perfected application. If, within said sixty days, said applicant shall not file an amended and perfected application, said priority of right shall cease and determine, unless for good cause shown the state water commission shall allow said applicant to file a further amended and perfected application; provided, also, that any priority of right secured under this section shall not be effective for more than thirty days after service of notice of such approval, personally or by registered mail, on the applicant, unless within said period of thirty days a true copy of said approval upon which such priority is based shall have been filed in the office of the recorder of the county or city and county in which the water is to be diverted, and, within ten days thereafter, a certificate of such filing by the county recorder is also filed with the state water commission.

Sec. 18. Actual construction work upon any project shall begin within such time after the date of the approval of the application as shall be specified in said approval which time shall not be less than sixty days from date of said approval, and the construction of the work thereafter shall be prosecuted with due diligence in accordance with this act, the terms of the approved application, and the rules and regulations of said commission; and said work shall be completed in accordance with law, the rules and regulations of the state water commission, and the terms of the approved application and within a period specified in the permit; but the period of completion specified in the permit may, for good cause shown, be extended by the state water commission. And if such work be not so commenced, prosecuted and completed, the water commission shall, after notice in writing and mailed in a sealed, postage-prepaid and registered letter addressed to the applicant at the address given in his application for a permit to appropriate water, and a hearing before the commission, revoke its approval of the application. But any applicant, the approval of whose application shall have been thus revoked, shall have the right to bring an action in the superior court of the county in which is situated the point of proposed diversion of the water for a review of the order of the commission revoking said approval of the application. And thirty days after the revocation of said permit all rights of the said permittee under said permit shall cease and lapse, unless said permittee shall within said thirty days after said revocation bring an action in the superior court for a review of the order of revocation. The priority of right of any permittee so bringing an action shall continue under said permit until a final judgment is rendered as to the reasonableness of the revocation of said permit. But until and unless the revocation of the permit shall be finally decreed by such court, the permittee shall not take or use any of the water the right to take and use which is granted by said permit.

Sec. 19. Immediately upon completion, in accordance with law, the rules and regulations of the state water commission, and the terms of the permit, of the project under such application, the holder of a permit for the right to appropriate water

shall report said completion to the state water commission. The said commission shall immediately thereafter cause to be made a full inspection and examination of the works constructed and shall determine whether the construction of said works is in conformity with law, the terms of the approved application, the rules and regulations of the state water commission, and the permit. The said water commission shall, if said determination is favorable to the applicant, issue a license which shall give the right to the diversion of such an amount of water and to the use thereof as may be necessary to fulfill the purpose of the approved application. Said license shall be in such form as may be prescribed by the state water commission under the provisions of this act. But if the said commission shall find, upon inspection and examination of the works constructed, that the construction and condition of said works are not in conformity with the law, the rules and regulations of the state water commission, the terms of the approved application and the terms of the permit, then and in that case the said commission may, after due notice in writing and in the manner provided in sections one thousand and eleven, one thousand and twelve, and one thousand and thirteen of the Code of Civil Procedure to the applicant or the holder of the permit, and a public hearing thereon, refuse to issue said license. And thirty days after the refusal of said commission to issue said license all rights of the applicant and the holder of the permit under said application and permit shall lapse and cease. But the holder of any permit to whom the said water commission may have refused to issue said license, shall have the right to bring an action within thirty days after the said refusal, in the superior court to review said order and to obtain a decree requiring the issuance of such license. And the rights of the holder of any permit so bringing an action shall continue under said permit until the decree in such action has been entered and become final. But until the refusal of the commission to issue said license shall be finally determined by the courts, the permittee shall not take or use any of the water, the taking and using of which is granted to him by said permit. And if the holder of any permit which has been revoked by the state water commission shall not bring an action within said thirty days in the superior court to determine the validity of said revocation, then and in that case all rights of the applicant and of the holder of said permit shall lapse and cease.

Sec. 20. All permits and licenses for the appropriation of water shall be under the terms and conditions of this act, and shall be effective for such time as the water actually appropriated under such permits and licenses shall actually be used for the useful and beneficial purpose for which said water was appropriated, but no longer; and every such permit or license shall include the enumeration of conditions therein which in substance shall include all of the provisions of this section and likewise the statement that any appropriator of water, to whom said permit or license may be issued, shall take the same subject to such conditions as therein expressed; provided, that if, at any time after the expiration of twenty years after the granting of a license, the state, or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the state shall have the right to purchase the works and property occupied and used under said license and the works built or constructed for the enjoyment of the rights granted under said license; and in the event that the said state, city, city and county, municipal water district, irrigation district, lighting district or political subdivision of the state so desiring to purchase and the said owner of said works and property can not agree upon said purchase price, said price shall be determined in such manner as is now or may hereafter be determined in eminent domain proceedings. If it shall appear to the state water commission at any time after a permit or license is issued as in this act provided: that the permittee or licensee, or the heirs, successors, or assigns of said permittee or licensee, has not put the water granted under said permit or license to the useful or beneficial purpose for which the permit or license was granted, or that the permittee or licensee, or the heirs, successors, or assigns of said permittee or licensee, has ceased to put said water to such useful or beneficial purpose, or that the permittee or licensee, or the heirs, successors or assigns of said permittee or licensee, has failed to observe any of the terms and conditions in the permit or license as issued, then and in that case the said commission, after due notice to the permittee, licensee, or the heirs, successors or assigns of such permittee or licensee, and a hearing

thereon, may revoke said permit or license and declare the water to be unappropriated and open to further appropriation in accordance with the terms of this act. And the findings and declaration of said commission shall be deemed to be prima facie correct until modified or set aside by a court competent jurisdiction; provided, that any action brought to modify or set aside such finding or declaration must be commenced within thirty days after the service of notice of said revocation on said permittee or licensee, his heirs, successors or assigns. And every licensee or permittee under the provisions of this act if he accept such permit or license shall accept the same under the conditions precedent that no value whatsoever in excess of the actual amount paid to the state therefor shall at any time be assigned to or claimed for any permit or license granted or issued under the provisions of this act, or for any rights granted or acquired under the provisions of this act, in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any permittee or licensee, his heirs, successors or assigns or by the holder of any rights granted or acquired under the provisions of this act, or in respect to any valuation for purposes of sale or purchase, whether through condemnation proceedings or otherwise, by the state or any city, city and county, municipal water district, irrigation district, lighting district or any political subdivision of the state, of the rights and property of any permittee or licensee, or the possessor of any rights granted, issued, or acquired under the provisions of this act. The application for a permit by municipalities for the use of water for said municipalities or the inhabitants thereof for domestic purposes shall be considered first in right, irrespective of whether they are first in time; provided, however, that such application for a permit or the granting thereafter of permission to any municipality to appropriate waters, shall not authorize the appropriation of any water for other than municipal purposes, and providing further that where permission to appropriate is granted by the state water commission to any municipality for any quantity of water in excess of the existing municipal needs therefor, that pending the application of the entire appropriation permitted, the state water commission shall have the power to issue permits for the temporary appropriation of the excess of such permitted appropriation over and above the quantity being applied from time to time by such municipality; and providing further, that in lieu of the granting of such temporary permits for appropriation, the state water commission may authorize such municipality to become as to such surplus a public utility, subject to the jurisdiction and control of the railroad commission of the State of California for such period or periods from and after the date of the issuance of such permission to appropriate, as may be allowed for the application to municipal uses of the entire appropriation permitted; and provided, further, that when such municipality shall desire to use the additional water granted in its said application it may so do upon making just compensation for the facilities for taking, conveying and storing such additional water rendered valueless for said purposes, to the person, firm or corporation which constructed said facilities for the temporary use of said excess waters, and which compensation, if not agreed upon between the municipality and said person, firm or corporation, may be determined in the manner provided by law for determining the value of property taken by and through eminent domain proceedings.

Sec. 21. Nothing herein contained shall be construed to deprive the state or any city, city and county, municipal water district, irrigation district, lighting district or political subdivision of the state, or any person, company or corporation of any rights which, under the law of this state they may have, to acquire property by or through eminent domain proceedings.

Sec. 22. Licenses hereafter granted for water or use of water shall be subject to the right of the state to impose the fees and charges provided in this act.

Sec. 23. Every person, firm, association or corporation making application for a permit to appropriate water or the use of water under this act shall pay to the state water commission, at the time of filing said application, if the purpose or use is for the generation of electricity, or electrical or power, a fee of two dollars and fifty cents for each theoretical horsepower capable of being developed by the works up to hundred theoretical horsepower, with a minimum fee of twenty-five dollars, and above said one hundred theoretical horsepower

the fee shall be five hundred dollars up to and including ten thousand theoretical horsepower, and one thousand dollars above ten thousand theoretical horsepower capable of being so developed or a fee of ten dollars if the purpose be other than the generation of electricity, or electrical or other power.

Any person, firm, association or corporation at the time of receiving a license to appropriate water or the use of water, if the purpose be for the generation of electricity, or electrical or other power, shall pay to said commission when the said license is issued, and annually thereafter, a charge of twenty-five cents for each theoretical horsepower capable of being developed by the proposed works. If the purpose of use is for other than the generation of electricity, or electrical or other power, every person, firm, association or corporation receiving a license to appropriate water shall pay to the said commission when said license is issued, and annually thereafter, a charge of ten cents per miner's inch for each miner's inch specified in the license, and for the purpose of this act forty miner's inches shall be equivalent to one cubic foot per second. Provided, however, that no annual charge shall be made when the appropriation is made for use for irrigation purposes upon lands not exceeding one hundred and sixty acres in area, to be actually occupied by such appropriator and cultivated in whole or in part by him, or when said water is used for mining purposes, and the amount of water so used for such mining purposes does not exceed five hundred miner's inches, or when the water is used for the generation of power when the same does not exceed fifty horsepower and is for the private use of the appropriator. And all such fees and charges shall forthwith be paid into the state treasury by the state water commission, and the fee and annual charges provided in this section shall be subject to change by law at not less than ten year intervals beginning with the date of the license issued by the state water commission.

Sec. 24. Upon its own initiative or upon petition signed by one or more claimants to water or the use of water upon any stream, stream system, lake, or other body of water, requesting the ascertainment of the relative rights of the various claimants to the water or the use of water of that stream, stream system, lake or other body of water, it shall be the

duty of the state water commission, if, upon investigation it finds the facts and conditions are such as to justify, to make an ascertainment of the said rights, fixing a time for the beginning of the taking of testimony and the making of such investigation as will enable it to ascertain the rights of the various claimants. In case suit is brought in the superior court for determination of rights to water or the use of water, the case may, in the discretion of the court, be transferred to the state water commission for investigation, as referee. In any case wherein the water commission shall proceed to investigate or ascertain water rights the said commission shall notify in writing in the manner provided in sections one thousand and eleven, one thousand and twelve and one thousand and thirteen of the Code of Civil Procedure all persons, firms, associations or corporations claiming or possessing any water rights which are to be the subject of ascertainment by the said commission.

Sec. 25. Upon the completion of the taking of testimony and evidence by the state water commission, the said commission shall immediately give notice by registered mail to the various claimants or possessors of water rights that, at a date and place named in the said notices, which date shall not be less than fifteen days nor more than thirty days later than the date of said notice, all of said testimony and evidence will be open to public inspection. And said testimony and evidence shall be held open to public inspection at said places for a specified period of not less than thirty days nor more than ninety days, and thereafter the said commission shall cause its findings and ascertainment of the rights of the respective claimants to said water to be made and filed in the superior court in each of the counties where said water is appropriated.

Sec. 26. If any person, firm, association or corporation claiming or possessing any interest in or right to the waters of any stream, stream system, lake or other body of water involved in any investigation or ascertainment by the state water commission of the rights to the water of said stream, stream system, lake or other body of water, desires to contest any of

interests in or rights to any of the said waters of any stream, firm, association or corporation such person, firm, association or corporation desiring so to contest shall, within ten days after the expiration of the period for public inspec-

tion prescribed in section twenty-five of this act, notify, in writing, the state water commission of said desire so to contest. Said notice shall state the ground of contest, which shall be verified by the oath of the contestant, his agent or attorney. Within ten days of the receipt of the notice of contest the state water commission shall notify the contestant and the person, firm, association or corporation whose rights are contested to appear before it at a time and place specified in said notice, and that at said time and place said contest will be heard; provided, that said time shall not be less than thirty days nor more than sixty days from the date of the service of the notice of the commission; provided, further, that if any person, firm, association or corporation desires to contest any such ascertainment by the state water commission as hereinbefore provided, such contest may be brought as provided in sections 31 and 32 hereof.

Sec. 27. Said notice by said water commission shall be served and return made thereon in the same manner in which summonses and return thereon are made in civil actions in the superior courts of this state. The water commission shall have power to adjourn hearings of contest from time to time upon reasonable notice to all parties in interest, and to issue subpoenas for and compel the attendance of witnesses to testify before it and produce papers, books, maps and other documents.

Sec. 28. The state water commission shall require from the party bringing the contest before it under section twenty-six of this act a deposit of five dollars for each day it shall be engaged in taking testimony in such contest. Upon the final ascertainment by the state water commission in any contest, the said commission shall enter an order directing the return of the deposit to the depositor if the contest shall be determined in his favor, but, if the contest shall be determined against the person bringing it, the said deposit shall be immediately paid into the state treasury.

Sec. 29. Not less than fifteen days nor more than thirty days after the expiration of the period during which the testimony and evidence is to be kept open for public inspection, or if any contest shall be made, not less than fifteen days nor more than thirty days after the settlement of said contest by the water commission, the testimony and evidence in the original hearing and the testimony and evidence taken in said contest shall be filed in the office of the water commission.

Sec. 30. The water commission may, in its discretion and in addition to the testimony and evidence submitted to it by the parties claimant to or possessors of water rights on any stream, stream system, lake or other body of water cause to be made an examination of said stream, stream system, lake or other body of water and the works diverting or utilizing water therefrom. Said examination may include the gathering of whatever data covering said stream, stream system, lake or other body of water and the various ditches and canals taking water therefrom as the said commission may require, as well as such other data and information as may, in the discretion of the said commission, be necessary to enable it properly to ascertain the relative rights of the parties claiming rights to use the waters of said stream, stream system, lake, or other body of water. The results of said examination shall be filed in the office of said commission and be open to public inspection as provided in this act for the filing and public inspection of other evidence of a like nature.

Sec. 31. As soon as practicable after the hearing of testimony and evidence, the hearing of contest, and the gathering and filing of such data and information as the water commission shall, of its own motion, direct to be gathered, the said water commission shall record in its office its ascertainment of and specific findings upon the rights of the several claimants to the use of the waters of any stream, stream system, lake or other body of water. Immediately thereafter, the said water commission shall file a certified copy of said ascertainment and specific findings together with the original evidence and testimony taken before it and all data and information gathered by its order with the clerk of the superior court in and for the county in which such stream, stream system, lake or other body of water or any part thereof is situated.

Sec. 32. After the filing with the clerk of the superior court of the evidence, data, information, specific findings and ascertainment as required by section 31 of this act, the same shall be received in the superior court as prima facie evidence of the facts, specific findings and ascertainment therein set forth. And at any time within one year after such filing as

action may be brought, upon the direction of the state water commission, by the attorney general in said superior court in which said evidence, data, information, specific findings and ascertainment shall have been so filed. Or an action may be brought in said court by any one or more of the possessors or claimants concerning whose rights to any of the waters of the stream, stream system, lake or other body of water the state water commission shall have made the specific findings and ascertainment filed in said court. Said action if brought by the attorney general shall be brought in the name and behalf of the people of the State of California to quiet the title of the State of California or the people thereof to any and all water or water rights which it may have in or on said stream, stream system, lake or other body of water, and, to cause all parties whose rights have been so ascertained to appear and interplead in said action in defense and determination of each and all of their respective rights, which rights, as against the state and with regard to the different rights and priorities of said rights among themselves, shall be determined by the court in said action. And if an action be brought by any one or more of said claimants or possessors, said action may be brought in the name of the said possessor or claimant and to cause all parties, whose rights have been ascertained, to appear and interplead in said action in defense and determination of each and all of their respective rights, which rights, as against the state or the people thereof, and with regard to the different rights and priorities of said rights among themselves shall be determined by the court in said action. And from and after the filing of the complaint in such action, the proceedings therein shall be as in other cases heard and determined in said court, and in accordance with the provisions of the Code of Civil Procedure of this state; provided, that the evidence, data, information, specific findings and ascertainment so filed with the superior court as provided in section 31 of this act must be considered by said court in its determination of both or either of said actions, and the court may affirm, modify or reject such specific findings and ascertainment and may make other or different findings as in its judgment the evidence justifies.

Sec. 33. All existing lawful appropriations of water or the use thereof, shall be and hereby are respected and upheld to extent of the amount of water appropriated and actually put or in process of being put, from the initial date of the act of appropriation, with due diligence in proportion to the magnitude of the work necessary properly to utilize the water for the useful or beneficial purpose for which it was appropriated, or for which it is being used.

Sec. 34. Whenever proceedings shall be instituted for the ascertainment by the state water commission of rights to water or the use of water, it shall be the duty of all claimants interested therein and having notice thereof as in this act provided to appear and submit proof of their respective claims at the time and in the manner required by law; and any such claimant who shall fail to appear in such proceedings and submit proof of his claim shall be barred and estopped from subsequently asserting any rights theretofore acquired upon the stream, stream system, lake or other body of water, or portion of such stream, stream system, lake or other body of water, embraced in such proceedings, and shall be held to have forfeited all rights to said water or the use of water theretofore claimed by him on such stream, stream system, lake or other body of water, unless entitled to relief under the laws of this state; provided, that such proceedings shall result in an ascertainment by the state water commission and a decree by the superior court based upon such ascertainment and specific findings or a modification of said ascertainment or specific findings.

Sec. 35. In any suit wherein the state is or the people of the state are a party for the determination of a right to the use of the water of any stream, stream system, lake or other body of water, or of any portion of any stream, stream system, lake or other body of water, all who claim the right to use such water shall be made parties. When any such suit has been filed the court may call upon the state water commission to make or furnish a complete hydrographic survey of such stream, stream system, lake or other body of water, in order to obtain all the data necessary to the determination of the rights involved. The disbursements made in litigating the rights involved in such suit may be taxed by the court as in

other equity suits, exclusive of the cost of such hydrographic survey.

Sec. 36. Upon the adjudication of the rights to the use of the water of a stream, or stream system, lake or other body of water, or any portion of a stream, stream system, lake or other body of water, a certified copy of the decree shall, prepared by the clerk of the court, without charge, and filed in the office of the state water commission, and said commission shall deliver to every party in such decree a certified copy thereof upon demand and the payment of the fees provided in this act. And the said commission shall file, for record, in the office of the recorder of each county in which any portion of said stream, stream system, lake or other body of water is situated, a certified copy of said decree. Said decree shall in every case declare as to the water right adjudged to each party, whether riparian or by appropriation, the extent, the priority, amount, purpose of use, point of diversion, and place of use of said water; and, as to water used for irrigation, such decree shall also declare the specific tracts of land to which it shall be appurtenant together with such other conditions as may be necessary to define the right and its priority. But the failure of any party entitled thereto to demand or receive a copy of said decree shall not be considered to have prejudiced him or his rights in any way.

Sec. 37. The power to supervise the distribution of water in accordance with the priorities established under this act, when such supervision does not contravene the authority vested in the judiciary of the state, is hereby vested in the state water commission.

Sec. 38. The diversion or use of water subject to the provisions of this act other than as it is in this act authorized is hereby declared to be a trespass, and the state water commission is hereby authorized to institute in the superior court in and for any county wherein such diversion or use is attempted appropriate action to have such trespass enjoined.

Sec. 39. Water or the use of water which has heretofore been appropriated or acquired, or which shall hereafter be appropriated or acquired for one specific purpose shall not be deemed to be appropriated or acquired for any other or different purpose. And any person, firm, association or corporation applying to the state water commission for a license to appropriate water or the use of water shall state in the application for said license the specific purpose to which it is proposed to put such water or the use thereof. Water heretofore or hereafter appropriated for other than domestic use, may be applied to domestic use, in whole or in part, without a separate and distinct appropriation being made therefor. And water appropriated for one purpose under the provisions of this act may be subsequently appropriated for other purposes under the provisions of this act; provided, that such subsequent appropriation shall not injure any previous appropriation.

Sec. 40. The state water commission is also authorized and empowered to investigate any natural situation available for reservoirs or reservoir systems for gathering and distributing flood or other waters not under beneficial use in any stream, stream system or lake or other body of water, and to ascertain the feasibility of such projects, including the supply of water that may thereby be made available, the extent and character of the areas that may be thereby irrigated, and make estimate of the cost of such project.

Sec. 41. Nothing in this act shall be construed as depriving any city, city and county, municipal water district, irrigation district or lighting district of the benefit of any law heretofore or hereafter passed for their benefit in regard to the appropriation or acquisition of water or the use of water; and nothing in this act shall affect or limit in any manner whatsoever the right or power of any municipality which has heretofore appropriated or acquired water or the use of water for municipal purposes, to use or to sell or otherwise dispose of such water or the use thereof, either within or without its limits for domestic, irrigation or other purposes, in accordance with laws in effect at the time of the passage of this act.

Sec. 42. The word "water" in this act shall be construed as embracing the term "or use of water"; and the term "or use of water" in this act shall be construed as embracing the word "water." Whenever the terms stream, stream system, lake or other body of water or water occurs in this act, term shall be interpreted to refer only to surface water, and to subterranean streams flowing through known and definite channels. But nothing in this act shall be construed as giving

or confirming any right, or title, or interest to or in the corpus of any water; provided, that the term "useful or beneficial purposes" as used in this act shall not be construed to mean the use in any one year of more than two and one half acre feet of water per acre in the irrigation of uncultivated areas of not devoted to cultivated crops.

c. 43. Nothing in this act shall be construed as depriving any person, firm, association or corporation of the right of appeal conferred under the laws of this state.

Sec. 44. All acts or parts of acts in conflict herewith are hereby repealed.

Sec. 45. This act shall be known as the "water commission act."

Sec. 46. If any section, subsection, sentence, clause or phrase of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act. The legislature hereby declares that it would have passed this act, and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more other sections, subsections, sentences, clauses or phrases be declared unconstitutional.

AND WHEREAS, said regular session of the said legislature finally adjourned May 12, 1913, and ninety days having not expired since said final adjournment:

Now, therefore, sufficient qualified electors of the State of California have presented to the secretary of state their petitions asking that said law and act hereinbefore set forth, so passed by the legislature and approved by the governor as hereinbefore stated, be submitted to the electors of the State of California for their approval or rejection.

ARGUMENT IN FAVOR OF WATER COMMISSION ACT.

Full California prosperity without good land titles would be impossible. The same is true of water titles, for California lands need irrigation. Our land titles are good. Titles to our water rights are not good, and can not be made good under our present laws. To illustrate:

First—Our railroad commission valued at \$18,000 the property of the East Side Canal Irrigation Company. The company said it spent \$300,000 litigating its water rights, without settling them.

Second—Certain water rights on Santa Ana river have been "finally settled" four times by four expensive lawsuits. A fifth suit is now threatened to "finally settle" them again.

Third—In six California irrigation counties there are now over one hundred live water right lawsuits—one small county has twenty.

California water rights can not be settled by lawsuits. There is always some one who can either sue for their water rights all the water users on every stream, or can compel them to sue to prevent him from taking their water. If a water user hasn't money to defend his water right as often as he is sued or to sue everybody who tries to take it away from him, he loses it.

Our present water laws, therefore, empower rich men and corporations to law poorer men and corporations out of their water rights, without which their lands are useless.

Another illustration of the badness of our water laws: large areas of fertile Madera county lands go unirrigated, while enormous quantities of water are wasted in San Joaquin river, because Miller & Lux, riparian owners on that river, will not permit Madera farmers to use the wasting waters.

Such conditions interfere with the prosperity of California.

There are no lawsuits over water rights and no riparian rights in other states, where they have water commission laws.

Oregon's water commission, in four years, finally settled over 1,000 water rights, at a cost of \$10.00 to each claimant, without a single appeal to the courts. Wyoming's water commission, in twenty years, finally settled over 15,000 water rights, with only ten appeals to the courts.

This California law is modeled on the Oregon law. It is being fought by an association of power and water companies, which spent many thousand dollars lobbying against it in the legislature and in securing forged and unforged signatures to the petition by which it was submitted to the referendum.

Our railroad commission stands between the people and the public service corporations. The water commission will stand, as water commissions in other states stand, between water users and the water grabbers and water hogs.

It is not true that the water commission can take water away from those who have a right to use it. The law, in terms, recognizes "vested rights" in the use of water. But the commission can take water away from those who, only pretending to use it, prevent others from using it. That probably accounts for much of the fierce corporation opposition to this law. Nor can the commission unsettle California water rights: they are already unsettled, and can not be settled under our present laws. The commission will cheaply, quickly, finally settle California water rights, as similar commissions settle them in other states.

GEORGE C. PARDEE.

ARGUMENT AGAINST WATER COMMISSION ACT.

This act seeks to place under the control of a political commission all of the waters of the state, both of surface and underground stream or flow. It repeals all existing laws in regard to the appropriation and use of water, and, if the proposed commission does not perform its duty, or is not able, through lack of means or lack of ability, to handle the vast scheme, we will have no water law.

It is opposed to the policy of such acts as the railroad commission act, in that it does not tend to foster enterprise and prevent oppression, but tends to stifle enterprise and promote oppression. It goes to the inception and not to the use of property rights.

It involves unlimited expense. The \$15,000.00 to cover the salaries of the commissioners is the smallest item. What will it cost to make the ascertainment of a single stream in engineering expenses? But the commission can not grant a license to use the water of any stream until it has made an ascertainment as to how much water there is and what rights already exist.

No water can be taken from a surface or subterranean stream, except under a permit from the commission. In order to obtain this permit it is necessary to employ an attorney and engineers, prepare an elaborate application accompanied by maps and other data (Sec. 16), all at large expense. The commission, before it can grant the permit, must ascertain if there is unappropriated water. To do this, it compels all parties using the waters of the stream to prove their rights, which necessitates the employment of attorneys and expert engineers at more expense. If they do not do this they forfeit their rights. The decision of the commission is only an "ascertainment" and is not final, and the matter may be litigated through the courts. Small users can not afford this expense. The tendency will be to take the water from the small users and put it in the hands of large companies.

It is claimed that this bill will prevent control of water by monopolies, and will permit larger appropriations and more general use. This is incorrect. Under the present law, the right to the use of water can only be acquired by putting the water to beneficial use, and when the use ceases the right ceases. The small user has equal chance with the large corporations. Under the bill it will be only large corporations that

can afford to develop water, and as to them the cost is almost prohibitive. This will retard the development of the state to a large extent.

The power of regulating rates, controlling the use, and compelling adequate service of water to the public, is now vested by the state constitution in the state board of railroad commissioners (State Constitution, Art. XII, Sec. 23).

Besides the expense and cost of appropriating the water, there is an annual charge of ten cents for every miner's inch of water for irrigation; and \$2.50 for each theoretical horse-power up to 100 horse-power, and above that an extra charge, if appropriation is for power purposes. This

puts a continuing charge, tax and burden upon every appropriator of water, and is equivalent to general taxation in as much as it imposes a special charge upon a special industry that will have to be repaid by the public where it is public use, and borne by the industry itself where it is a private use. The consumer ultimately pays all these expenses.

The act does not give the commission power to initiate in any manner the conservation and preservation of water, but imposes litigation and a burden upon users of water and the public.

G. R. FREEMAN.

ABATEMENT OF NUISANCES.

Act submitted to electors by referendum.

Declares nuisance any building or place where acts of lewdness, assignation or prostitution occur, and general reputation admissible to prove existence of nuisance; prescribes procedure for abatement thereof; requires removal and sale of fixtures and movable property used in aid thereof, closing premises to any use for one year unless court releases same upon bond of owner; prescribes fees therefor, making same and all costs payable from proceeds of such sale, requiring sale of premises to satisfy any deficiency; makes fines lien upon interest in premises.

WHEREAS, the legislature of the State of California, in regular session in March, 1913, passed, and the governor of the State of California, on the 7th day of April, 1913, approved a certain law and act, which law and act, together with its title, is in the words and figures following, to wit:

An act declaring all buildings and places nuisances wherein or upon which acts of lewdness, assignation or prostitution are held or occur or which are used for such purposes, and providing for the abatement and prevention of such nuisances by injunction and otherwise.

The people of the State of California do enact as follows:

Section 1. The term "person" as used in this act shall be deemed and held to mean and include individuals, corporations, associations, partnerships, trustees, lessees, agents and assignees. The term "building" as used in this act shall be deemed and held to mean and include so much of any building or structure of any kind as is or may be entered through the same outside entrance.

Sec. 2. Every building or place used for the purpose of lewdness, assignation or prostitution and every building or place wherein or upon which acts of lewdness, assignation or prostitution are held or occur, is a nuisance which shall be enjoined, abated and prevented as hereinafter provided, whether the same be a public or private nuisance.

Sec. 3. Whenever there is reason to believe that such nuisance is kept, maintained or exists in any county or city and county, the district attorney of said county or city and county, in the name of the people of the State of California, must, or any citizen of the state resident within said county or city and county, in his own name may, maintain an action in equity to abate and prevent such nuisance and to perpetually enjoin the person or persons conducting or maintaining the same, and the owner, lessee or agent of the building, or place, in or upon which such nuisance exists, from directly or indirectly maintaining or permitting such nuisance.

Sec. 4. The complaint in such action must be verified unless filed by the district attorney. Whenever the existence of such nuisance is shown in such action to the satisfaction of the court or judge thereof, either by verified complaint or affidavit, the court or judge shall allow a temporary writ of injunction to abate and pre-

vent the continuance or recurrence of such nuisance.

Sec. 5. The action when brought shall have precedence over all other actions, excepting criminal proceedings, election contests and hearings on injunctions, and in such action evidence of the general reputation of the place shall be admissible for the purpose of proving the existence of said nuisance. If the complaint is filed by a citizen, it shall not be dismissed by the plaintiff or for want of prosecution except upon a sworn statement made by the complainant and his attorney, setting forth the reasons why the action should be dismissed, and the dismissal ordered by the court. In case of failure to prosecute any such action with reasonable diligence, or at the request of the plaintiff, the court, in its discretion, may substitute any such citizen consenting thereto for such plaintiff. If the action is brought by a citizen and the court finds there was no reasonable ground or cause for said action, the costs shall be taxed against such citizen.

Sec. 6. Any violation or disobedience of either any injunction or order expressly provided for by this act shall be punished as a contempt of court by a fine of not less than two hundred dollars nor more than one thousand dollars, or by imprisonment in the county jail for not less than one month nor more than six months, or by both such fine and imprisonment.

Sec. 7. If the existence of the nuisance be established in an action as provided herein, an order of abatement shall be entered as a part of the judgment in the case, which order shall direct the removal from the building or place of all fixtures, musical instruments and movable property used in conducting, maintaining, aiding or abetting the nuisance, and shall direct the sale thereof in the manner provided for the sale of chattels under execution, and the effectual closing of the building or place against its use for any purpose, and so keeping it closed for a period of one year, unless sooner released, as hereinafter provided. While such order remains in effect as to closing, such building or place shall be and remain in the custody of the court. For removing and selling the movable property, the officer shall be entitled to charge and receive the same fees as he would for levying upon and selling like property on execution, and for closing the premises and keeping them closed, a reasonable sum shall be allowed by the court.

Sec. 8. The proceeds of the sale of the property, as provided in the preceding section, shall be applied as follows:

- 1st. To the fees and costs of such removal and sale;
- 2nd. To the allowances and costs of so closing and keeping closed such building or place;

3rd. To the payment of plaintiff's costs in such action;

4th. The balance, if any, shall be paid to the owner of the property so sold.

The proceeds of such sale do not fully discharge all such costs, fees and allowances, the said building and place shall then also be sold under execution issued upon the order of the court or judge and the proceeds of such sale applied in like manner.

Sec. 9. If the owner of the building or place has not been guilty of any contempt of court in the proceedings, and appears and pays all costs, fees and allowances which are a lien on the building or place and files a bond in the full value of the property, to be ascertained by the court, with sureties, to be approved by the court or judge, conditioned that he will immediately abate any such nuisance that may exist at such building or place and prevent the same from being established or kept thereat within a period of one year thereafter, the court, or judge thereof, may, if satisfied of his good faith, order the premises closed under the order of abatement, to be delivered to said owner, and said order of abatement canceled so far as the same may relate to said property. The release of the property under the provisions of this section shall not release it from any judgment, lien, penalty or liability to which it may be subject by law.

Sec. 10. Whenever the owner of a building or place upon which the act or acts constituting the contempt shall have been committed, or of any interest therein has been guilty of a contempt of court and fined therefor in any proceedings under this act, such fine shall be a lien upon such building and place to the extent of the interest of such person therein enforceable and collectible by execution issued by the order of the court.

Sec. 11. All acts and parts of acts in conflict with the provisions of this act are hereby repealed: provided, that nothing herein shall be construed as repealing any law for the suppression of lewdness, assignation or prostitution.

NO WHEREAS, said regular session of the said legislature finally adjourned May 12, 1913, and ninety days having not expired since said final adjournment;

Now, therefore, sufficient qualified electors of the State of California have presented to the secretary of state their petitions asking that said law and act hereinbefore set forth, so passed by the legislature and approved by the governor, as hereinbefore stated, be submitted to the electors of the State of California for their approval or rejection.

ARGUMENT IN FAVOR OF ACT FOR ABATEMENT OF NUISANCES.

The Redlight Abatement Act makes investments in exploitation of prostitution insecure. Under this act, any citizen may proceed against a house of prostitution as a nuisance. If the nuisance be proved, the house must be closed for one year unless the owner furnishes a bond that the house shall be used only for lawful purposes.

The act is not an experiment. Similar laws are in force in Oregon, Washington, Iowa, Nebraska, Utah, South Dakota, Wisconsin, Minnesota and Kansas. Congress recently enacted, and President Wilson signed, a similar law for the District of Columbia.

The commission appointed by the Massachusetts legislature to investigate this problem says: "The laws for the suppression of 'places resorted to for the purpose of prostitution,' should provide for the penalizing of the property so used." The committee then recommends the Iowa plan of abatement. The New York vice committee says that "the abatement law in use in Iowa would be equally effective in New York."

Large amounts are invested in exploiting prostitution. The profits are enormous.

The Empire House at San Francisco cost some \$8,000.00. The seventy cribs rented at \$5.00 a night each—\$350.00 a night, \$127,750.00 a year. (See transactions of the Commonwealth Club of California, Vol. VI, No. 1, page 48.) A San Francisco trust company has been shown to have invested trust funds in a five-story assignation house. (Report published by San Francisco supervisors, on Causes of Municipal Corruption, 1910, pp. 18-19.) At the trial of Mayor Schmitz, testimony was given that one of these San Francisco houses represented an investment of \$400,000.00. (Transcript, *People vs. Schmitz*, p. 557.)

No blackmail or extortion has been attempted in other states under this act. "The talk about blackmail is without merit," writes Attorney General Cosson of Iowa, "and is circulated by believers in segregated districts." Attorney General Martin of Nebraska writes: "I have never heard of a case where this law was used for the purpose of blackmail." District Attorney Evans of Portland, Oregon, states, "Within my knowledge the Oregon law has not been used for the purpose of persecuting innocent property owners nor for blackmail."

The scattering of the evil throughout the residence district would be impossible under this act, because any citizen is given the legal machinery to drive prostitution out. Such abatement laws in other states have not resulted in "scattering." They have, however, resulted in wiping out the unclean profits of those who prey upon fallen women, thereby reducing prostitution to its minimum.

The owner who rents property for legitimate purposes has nothing to fear from this law. It simply requires that owners shall know as much about the use of their property as their neighbors know. The owner who rents property for purposes of prostitution has much to fear.

To vote in favor of the Abatement Act mark your ballot "Yea."

EDWIN E. GRANT.

State Senator Nineteenth District.

ARGUMENT AGAINST ACT FOR ABATEMENT OF NUISANCES.

The referendum against the so-called Red Light Abatement Law was inaugurated by property owners of this state. It is, therefore, the purpose of the writer to treat the subject from the viewpoint of the property owner.

Lack of space precludes a specific analysis of the various sections of the act; but a general statement of the drastic provisions of the same will enable the writer to point out how far the authors of the bill have wandered from their purpose.

Sections one and two of the act should be read together. Their provisions affect the owner of any building which may be entered through the same outside entrance, and in which building any act of lewdness, assignation or prostitution is held to occur, and in that event, such building shall be abated. It is easy to conceive how the owner of a flat building, rooming house, apartment house or hotel, or even an office building, may become the innocent victim of these sections, and unless the owners thereof establish a censor of morals in their buildings, they will soon become the innocent victims of enthusiastic reformers. But one act of prostitution, assignation or lewdness in any building is sufficient to cause the building to be abated.

The legislature undoubtedly intended that the law should be directed against houses of prostitution, and if the act becomes effective, naturally the houses of prostitution will close without court proceedings. The obvious result will be that the women who ply that business will seek other

places for their abode. It will, therefore, become impossible for the owner of property to determine when renting his property, the character of those desiring to become his tenants, and no matter how straight-laced the owner of residence property may be, he will sooner or later become the landlord of an unfortunate woman. It is well to bear in mind that but one act of prostitution, assignation or lewdness in any building with a common entrance is sufficient to have the building abated or enjoined.

Sections 7 to 10 of the act are the property-destroying clauses thereof. Substantially they provide that if the existence of a nuisance be established, a judgment of abatement shall be entered as a part of the judgment in the case. Thereupon all the movable fixtures and property

in any building sought out for attack are to be removed, and the building kept closed for a period of one year.

If the Red Light Abatement Bill becomes effective, prostitution will not be abated minimized, but property will be abated, and its value impaired. The property owner and his respectable tenant will pay the price of this act of the legislature; but, irrespective of that, the prostitute will go merrily on, plying her trade as she has plied it from the beginning, and a citizen will always be doubtful as to the character of the person in the house next door.

GEORGE APPELL,

Attorney Property Owners' Protective Association of California.

NON-SALE OF GAME.

Act amending Penal Code section 626k, submitted to electors by referendum.

Declares the buying, selling, shipping, offering or exposing for sale, trade or shipment, of any wild game, bird, or animal (except rabbits and wild geese), protected by law and mentioned in part I, title XV, chapter I of Penal Code, or the dead body of the same, or any part thereof, a misdemeanor; prescribes punishment therefor; and declares section does not prohibit sale of wild duck from November 1st to December 1st of same year.

WHEREAS, the legislature of the State of California, in regular session in May, 1913, passed, and the governor of the State of California, on the 16th day of June, 1913, approved a certain law and act, which law and act, together with its title, is in the words and figures following, to wit:

An act to amend section 626k of the Penal Code of the State of California, relating to the sale of wild game or the dead bodies thereof.

The people of the State of California do enact as follows:

Section 1. Section 626k of the Penal Code is hereby amended to read as follows:

626k. Every person who buys, sells, ships, offers, or exposes for sale, barter, trade or shipment, any wild game, bird, or animal, except rabbits and wild geese, protected by law and mentioned in part one, title fifteen, chapter one, of this code, or the dead body of any such game, bird, or animal, or any part thereof, whether taken or killed in the State of California or shipped into the state from another state, territory, or foreign country, is guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not less than twenty dollars nor more than five hundred dollars, or imprisonment in the county jail of the county in which the conviction shall be had, not less than twenty days nor more than six months, or by both such fine and imprisonment; and all fines and forfeitures imposed and collected for violation of any of the provisions of this section shall be paid into the state treasury to the credit of the fish and game preservation fund. Nothing in this section shall be construed to prohibit the sale of any species of wild duck from the first day of November to the first day of December of the same year.

AND WHEREAS, said regular session of the said legislature finally adjourned May 12, 1913, and ninety days having not expired since said final adjournment;

Now, therefore, sufficient qualified electors of the State of California have presented to the secretary of state their petitions asking that said law and act hereinbefore set forth, so passed by the legislature and approved by the governor as hereinbefore stated, be submitted to the electors of the State of California for their approval or rejection.

Fifty-two

ARGUMENT IN FAVOR OF NON-SALE OF GAME ACT.

The market hunter has caused the enactment of legislation for the protection of the wild life from extermination in forty-seven states of the union. Why?

First—The larger species of wild game, such as the buffalo, elk and antelope, first fell prey to his deadly work, and these in turn were followed by the passenger pigeon. As a consequence these species have become so scarce that he has turned his attention to netting, snaring even our song birds. They have found by the thousands in cold storage by the authorities.

Second—Elimination of the market hunter is not a new idea. It is his deadly slaughter that has brought to the people a realization that he is merely a reaper. He sows nothing, in 99 per cent of instances is not a taxpayer, is an avowed violator of all limit laws which are based upon equity. His limit is his stock of ammunition, his trail can be easily followed through every state by the attendant depletion of every available form of wild life, and he is the father of open and unrestricted, wanton and cruel destruction.

Third—The market hunter kills for the market a greater pro rata of wild game than do all of the 163,000 men, women and children who provide the total fund for the protection of game. The taxpayers of the state at large do not have to contribute one cent for the protection of game; for it is not a direct tax upon the people, being provided entirely by those who hunt and fish.

Fourth—With the passing of the market hunter the great mass of hunters will have an opportunity to shoot upon the vast areas he now monopolizes, and where he has carried on his slaughter of hundreds of thousands of our migratory waterfowl and other birds.

Fifth—Our sister states, younger in statehood than California, have eliminated the market hunter, thereby perpetuating the supply of waterfowl to California. Thousands of them are bred annually throughout Oregon, Washington, Idaho, Nevada and in the provinces of Canada; yet they prohibit the market hunting of birds and the taking of eggs. Commercial interests gathered eggs by the shipload on the Yukon until our own government put a stop to

the practice. When the egg is hatched and arrives in California in the form of a duck the market hunter immediately commercializes it. But fair to our sister states and to our own government?

Sixth—In proof of the statement that the market hunter is the sole destroyer, the figures on duck shipments into San Francisco alone are given: In 1910, about 500,000; in 1911, 200,000; in 1912, 106,000, and in 1913 but 85,000. In the face of these figures the market hunter and his coworker, the commission man, have made the statement, "What a fine thing it would be to feed the wild life of California to the millions who are coming to our fair."

Seventh—The market hunter and the commission man collected many thousands of dollars for the referendum that means, eventually, the total extermination of our quail, doves, deer, ducks, and, in fact, every member of the furred and feathered tribes, even to our songbirds.

Eighth—This referendum petition was circulated by the market hunter and the commission man, and the following figures show to what extent they will go to debauch the will of the people for the conservation of their wild life:

From San Francisco county alone came petitions aggregating 32,108 names. The certificate of the registrar of voters on file in the office of the secretary of state discloses the fact that 10,323 names did not appear on the great register and 3,119 others were rank forgeries. Only 18,751 of the whole 32,108 were found to be actual, registered voters.

Voters of California, stamp a cross opposite the word "Yes" on the ballot at the right of the title of the amendment to section 626k, and then you will have aligned yourself with all our states in the Union who have stamped marks of disapproval upon the market hunter and his methods. If you fail in your duty toward your wild life you will witness its everlasting destruction.

Remember that not only are your wild birds and animals in danger of total extermination, but the honor and integrity of your state is at stake.

F. M. NEWBERT,

President Fish and Game Commission.

ARGUMENT AGAINST NON-SALE OF GAME ACT.

Citizens are asked to support the referendum petition now submitted to electors for their approval or rejection, on the law for non-sale of game enacted by the legislature under the title of "An act to amend section 626k of the Penal Code," approved June 16, 1913, for the following reasons:

I. That the act is class legislation.

II. That the law was not enacted in good faith.

III. That the law is contrary to public policy.

This act provides that no one shall ship, sell or offer for sale, buy or trade any wild game except rabbits and geese, with the exception that wild ducks are permitted to be sold (note the word "sold," it is important), during the month of November only.

First—Every citizen who has gone afield for the purpose of hunting or fishing will testify that he has found the grounds or streams open to him for the enjoyment of his sport extremely limited. That signs which forbid trespassing, hunting and fishing confront him on every side, and that in the majority of cases the signs are placed by the authority of hunting and fishing clubs, and that practically all the desirable hunting and fishing grounds are under the control of such clubs.

This act was passed solely for the purpose of preserving the wild game of the state for the enjoyment and sport of those who are so situated financially that they are able to be members of the said clubs, the argument being that if game is not allowed to be sold, the inducement to hunt and kill it will be removed from the greater mass of the citizens, and thus reserve the game to the clubs, their individual members and their friends. For the clerk, the mechanic, and the man with a moderate income it means an expense that he can not afford to go hunting for the game he wants on his table; yet it is an undisputed fact that the wild game of the state belongs to all of the people, and that the poor man has as much right to the enjoyment of a share of it as the rich man. How can a poor man get game if he is not allowed to buy it?

Second—The act provides that game shall not be "shipped" at any season of the year, but that wild ducks shall be permitted to be sold during the month of November. This means that the man who hunted and killed ducks would not be permitted to send them to a market or to any place where they could be sold, by any of the ordinary means of transportation. There is no one to buy ducks at the place where they are killed and to get them to the city where it would be possible to find a market for them, the hunter would be forced to carry them, or to provide his own means of transportation, which would make the cost so excessive that the price would prevent a poor man from buying them.

This law was not enacted in good faith. While it apparently permits the sale of ducks during a portion of the season, the joker in the law forbidding the transportation at all seasons, makes it impossible to get the game to a place where it could be sold. Furthermore, why should the man who is not able to go hunting and kill his own ducks, be allowed to buy ducks and have them on his table one month out of the season, while another man in better financial circumstances, able to afford the expense of hunting, can have ducks on his table and that of his friends, during all the open season from October fifteenth to January thirty-first?

Third—The wild game of the state belongs to all of the people of the state. If any or all of the species of game which inhabit the state are scarce, then prohibit the hunting and killing of such game to every one alike until such time as the supply is replenished. Most kinds of wild game are plentiful; the supply of wild ducks is especially good and this particular game should be sold more cheaply than poultry. The reason that it is not is because of the laws that have been passed from time to time, each one of which has withdrawn some little privilege enjoyed by the poor man, and each law apparently of little importance in itself, but with all the laws, one added to another, it is found that the game of the state is being more and more reserved for those whose money permits them to enjoy special privileges, at the expense of the people at large. The game of the state, and especially the wild fowl, is a recognized asset which should assist in reducing the added cost of living. Let each voter ask himself if the law which it is asked that he vote to have repealed, helps him or helps those in similar position to himself—does it give to him the same advantages that it does to the privileged few for whose benefit it was passed—and then vote as his reason and his conscience dictate.

F. M. BAILEY,

Secretary People's Fish and Game Protective Association.

ABOLITION OF POLL TAX.

Initiative amendment to section 12 of article XIII of the constitution.

Provides that no poll or head tax for any purpose shall be levied or collected in this state

The electors of the State of California hereby propose an amendment of and to section 12 of article XIII of the constitution of said state, relating to poll taxes, so that the same shall read as follows:

PROPOSED LAW.

ARTICLE XIII.

Section 12. No poll tax or head tax for any purpose whatsoever shall be levied or collected in the State of California.

Section 12, article XIII, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 12. *The legislature shall provide for the levy and collection of an annual poll tax, of not less than two dollars, on every male inhabitant of this state over twenty-one and under sixty years of age, except paupers, idiots, insane persons, and Indians not taxed. Said tax shall be paid into the state school fund.*

ARGUMENT IN FAVOR OF ABOLITION OF POLL TAX.

The poll tax has been handed down from the period when the people were classed as property and taxed as chattels.

Originally it was a perfectly just tax, because it was levied on the feudal baron and paid by him according to the number of serfs he owned. As he was getting all the benefit from the labor of the people under him, there was every reason why he should contribute to the support of the government in proportion to the number of people he controlled, and the head tax was the best way to determine that.

The poll tax, therefore, was simply the application of just principles of taxation to feudal age conditions. The feudal baron enjoyed a privilege conferred by law and he paid into the public treasury what the privilege was thought to be worth.

In course of time, however, the barons managed to shift the burden so that each man had to pay his own head tax. Thus the original reason for the tax ceased to exist, and it became an injustice.

Originally a tax upon property, the poll tax is now a tax upon persons, upon life itself. The basic assumption remains the same as before, namely, that the right to life, like the right to property, is a privilege granted by the state.

The poll tax is a survival of despotism and a denial of democracy.

For these reasons nearly all civilized nations have abolished the poll tax. The only large nations that still levy that tax are: Russia, Turkey, Persia, China, and a rapidly decreasing number of states of our country.

In 1895 the poll tax was not recognized in twenty states; in 1900 thirty-five states in the union had no state poll tax.

No one attempts to defend the poll tax on ethical grounds. Those who oppose its abolition can not refute the demonstrated charge that the tax is unjust and unfair and inflicts an unnecessary hardship on those least able to bear it.

The poll tax is not necessary for the support of the public schools. The amount the state school fund now derives from the poll tax will not be lost, nor will it have to be made up by some other equally objectionable method of taxation. The deficiency can easily be made up from the tax on corporation incomes.

An unjust and oppressive tax can not be justified on the ground that the proceeds are devoted to a useful purpose. It is not necessary to tax the poor in order to maintain the schools and to pay the teachers a decent salary. California is a rich state—the richest state per capita in the union—therefore it is erroneous to assume that a head tax is necessary to maintain the schools.

The poll tax is objectionable because it has never been uniformly collected. The state controller's reports prove that in some counties only 21 per cent of the population pay this tax and as high as 68 per cent in others. Wealthy citizens sometimes pay the poll tax; laborers always pay it through deductions from their wages.

The poll tax is a double tax. The class of persons from whom it is chiefly collected pay (indirectly but none the less certainly) the greater part of the taxes levied directly upon the owners of property. The latter class shifts the burden on the former class. The property-less class pays both the direct and the indirect tax.

The poll tax has not even the poor excuse of being justified because it taxes aliens, as this class contributes less than one eighth of the total amount collected. Hence we penalize our citizens to the extent of seven dollars for every one dollar we manage to extract from aliens.

The poll tax is despotic because it classifies human life as a species of property. It is unjust because it places an additional tax on those who in other ways pay a share of the so-called direct taxation out of all proportion to their means. It can not be considered necessary long as private property—the true creator of the state—suffices for the purpose of taxation.

PAUL SCHARRENBURG.

Sec'y California State Federation of Labor.

ARGUMENT AGAINST ABOLITION OF POLL TAX.

The state poll tax yields for the state school fund about \$850,000 per annum, which is about one seventh of the total amount which the state provides for the support of common schools. In addition the poll tax is used by thirty-five out of the fifty-eight counties for road and hospital purposes and to provide additional school funds, amounting in all, in 1913, to \$260,000. The total amount collected in poll taxes, state and county, is, therefore, in round numbers \$1,110,000.

The proceeds of this tax are devoted to purposes—namely, the support of the schools, roads, and hospitals—which there is no doubt the people will insist shall be maintained as liberally as ever. If this vast sum of \$1,110,000 were raised by the general ad valorem tax, it would mean, all told, a tax of four cents on each one hundred dollars of the assessed valuation of the state. It has been suggested by some that the loss might be made good by increasing the taxes upon corporations. This suggestion, of course, applies to the state's share only, or \$850,000, for there is no other way of raising the \$260,000 which the counties would lose, except by the ad valorem tax. But when it is remembered that, at the last session of the legislature, the taxes on the corporations were raised as high as they justly could be, in the opinion of that body, it certainly can not be assumed that it would be right to immediately raise them still higher.

The arguments against the poll tax are, 1. that it is an old tax. There are lots of things among our institutions that are old, but are not

necessarily, on that account, bad. Indeed, it has sometimes even been argued that no tax is a tax except an old tax.

It is argued that the tax is unequal, because the poor man pays as much as the rich man. This might be a valid argument if the poll tax stood all by itself. But the poll tax is one of many taxes and among the others are those which fall only upon the rich man and make his share commensurate with his ability.

It is argued again that the poll tax is not uniformly enforced and that some escape. That, however, is not an argument against the poll tax as such, but merely an argument for the better enforcement of the law. In 1900 the poll tax yielded \$404,000. Since then the administration has so improved that it is yielding, as above stated, about \$850,000 per annum, or considerably more than double. The mere fact that a given institution is not well administered is no argument for its abolition; some of our schools are not as successful as they might be, and some

of our streets have chuck-holes in them, but that is no reason why the government should abandon the support of the schools or of the streets.

Every citizen, whether rich or poor, should pay some tax, and should thus be made conscious in a direct way of his responsibility for the support of the institutions under which he lives. There are many persons in California who pay no other direct tax than the poll tax. Among these are many aliens, and a large number of unorganized, migratory and seasonal laborers, whose presence is a menace, especially to organized labor, for they do not maintain the standards of living nor the standards of work which are essential to the support of the living or union wage.

The poll tax is a just tax. It bears heavily on no one. It is the only tax paid by certain aliens and by certain unorganized laborers. The revenues are necessary. Its defects can be cured by a more vigorous, uniform administration.

CARL C. FLEHN.

QUALIFICATION OF VOTERS AT BOND ELECTIONS.

Initiative amendment adding section 7 to article II of constitution.

Provides that no elector may vote on question of incurring bonded indebtedness of state or political subdivision thereof, unless he is owner of property taxable for payment of such indebtedness and assessed to him on last assessment roll.

The electors of the State of California present to the secretary of state this initiative petition, asking that the proposed constitutional amendment hereafter set forth be submitted to the electors of the State of California for their approval or rejection:

Proposition to amend article II of the Constitution of the State of California by the addition of a new section to said article, to be designated numbered as section seven (7) of said article, relating to the right of suffrage in respect to the incurring of any bonded indebtedness of this state or of any county, city and county, municipality or other political subdivision of this state.

The people of the State of California do enact as follows:

A new section is hereby added to article II of the Constitution of the State of California, to be numbered section 7, and to read as follows:

PROPOSED LAW.

Section 7. No elector shall have the right to vote on any question of incurring any bonded indebtedness of this state or of any county, city and county, municipality, or other political subdivision of this state, unless he shall be the owner of property liable to be taxed for the payment of such indebtedness and assessed to him on the last assessment roll.

ARGUMENT IN FAVOR OF QUALIFICATION OF VOTERS AT BOND ELECTIONS.

Every man, woman and child in California is mortgaged for \$40.00, for an average period of thirty years.

The annual burden of taxation for interest and sinking fund is approximately \$3.00 per capita.

The voting of public bonds has become a political matter, and it is the purpose of the California State Realty Federation in advocating the foregoing constitutional amendment to remove it from the sphere of politics and make it an economic matter.

There are in California 879,242 taxpayers. The property of every taxpayer would enhance in value if the law confined the creating of public debts to the property owners affected. More people would buy homes in California instead of investing their earnings in other ways. Voting of bonds in reclamation and irrigation districts

in California is confined to the property owners affected, and the limitation has operated with great success. Investigation has confirmed the fact that such bond issues are more economic to the taxpayers than are those of the cities and counties of the state.

This matter is essentially a practical one, and the experience of other states is the best practical guide to its solution.

The state of New York furnishes the best illustration of the advantages of a property qualification. See New York Consolidated Laws of 1909, page 1402, which require upon public bonds issued thereunder, substantially the following recital: "The issue of this bond is duly authorized by a vote of the taxpayers." Public bonds in New York are issued with an interest rate of 3½ per cent, notwithstanding the fact that that state has the heaviest per capita indebtedness of any state in the union, while in California, with practically one half the per capita indebtedness of New York, our public bonds can not be sold at an interest rate of less than 6 per cent except in exceptional cases.

Arizona, the most recent acquisition to the union, provides (see Constitution of 1912):

"Section 13. Questions upon bond issues shall be submitted to the vote of property taxpayers, who shall also in all respects be qualified electors of the state affected by such question."

There are altogether forty-two states in the union which require property qualifications in bond elections.

The advantages of adopting this amendment may be summarized as follows:

First—General merit of restricting vote to electors affected.

Second—Definite electorate with which to deal on all questions involving bond issues.

Third—Elimination of incentive to politicians, demagogues, newspapers, etc., to appeal to class prejudice in economic matters.

Fourth—Reduction in taxation by preventing unnecessary and extravagant bond issues, and the introduction of business methods in public bond issues.

Fifth—Promotion of stability of California credit.

Sixth—Prevent the depreciation of California property.

Seventh—Inducement to investment in real estate, which high taxes now prevent.

Eighth—Prevention of immigrants, following the opening of the Panama canal, mortgaging California for their debts.

Ninth—Allowing the man who pays the debt to contract the debt.

FRANCIS CUTTING.

ARGUMENT AGAINST QUALIFICATION OF VOTERS AT BOND ELECTIONS.

First—This amendment proposes a step backward. The world is not moving toward disfranchisement, but toward enfranchisement of those now disfranchised. Even the citizen who has no property has a right to a direct voice in all matters of government.

Second—If voters who have no taxable property should not be allowed to vote on bond issues, which involve taxation, for the same reason they should be prohibited from voting for members of congress, legislators, city councilmen, school trustees and other taxing bodies.

Third—If the proposed amendment is based on correct principles, then it falls short of the logical conclusion that the ballot belongs to property rather than to men and women; and, therefore, the amendment should not only give all resident property owners the ballot, regardless of citizenship, when bond issues are proposed, but should also give non-resident property owners the right to vote on bond issues.

Fourth—The amendment is based on the false idea that no one pays taxes unless he is actually assessed for taxable property. But, as is well known, the owner of property liable to be taxed for bond indebtedness, or for any other purpose, is often able to shift the whole tax to persons

who are not on the assessment roll. The consumer pays the tax, whether it be a tariff tax, a tax for bonded indebtedness, or taxes for ordinary expenses of government.

Many of the so-called "large taxpayers" are merely tax collectors. The merchant gets the tax receipt for taxes paid on his goods, but the tax is added to the price of the goods, and the consumer pays it. The owner of an office building gets the tax receipt, but the tax is added to the rents, and the tenants pay it. The tenants, in turn, shift the tax when they are able to do so. The man who lives in a rented room, eats at a restaurant, and has no other property than a change of clothing, pays taxes when he pays for his room and food and clothing.

Fifth—This amendment would give a vote on bond issues to a property owner who has already sold all of his taxable property, but to whom the property is assessed at the time of the bond election, and would withhold the vote on that bond issue from the purchaser of the property, in case that purchaser is not on the tax roll. Yet, in this case, the seller votes on the bond issue and is not taxed for the bonds; while the purchaser will be taxed for the bonds under this amendment, though he has no vote on the bond issue.

Sixth—The real purpose of this amendment seems to be to put a stop to public ownership of public utilities. The amendment would endanger the issuing of bonds for public ownership. Public ownership is already handicapped by the constitutional provision requiring a two-thirds vote in favor of bond issues for that purpose; and it would be made practically impossible if none but property owners were allowed to vote on bond issues.

JAMES H. BARRY.

PROHIBITION.

Initiative amendment adding sections 26 and 27 to article I of constitution.

Prohibits the manufacture, sale, gift, or transportation wholly within the state, of intoxicating liquors; permits any citizen to enjoin violations; makes the showing that the manufacture, use, sale, gift or transportation was for medicinal, scientific, mechanical or sacramental purposes, a defense to civil and criminal actions, and requires regulation by law of such acts for said purposes; prohibits transportation into this state of intoxicating liquors, unless shown to be for such purposes, subject, however, to United States laws; prescribes and authorizes penalties.

The electors of the State of California present to the secretary of state this petition, and request that a proposed amendment of the Constitution of the State of California, by adding to article I thereof, sections 26 and 27, prohibiting the manufacture, the sale, the giving away, and the transportation of intoxicating liquors, as hereinafter set forth, be submitted to the people of the State of California for their approval or rejection, at the next ensuing general election, or as provided by law.

The proposed amendment is as follows:

The people of the State of California do enact as follows:

Article I of the Constitution of the State of California is hereby amended by adding thereto, two new sections, to be numbered respectively section 26 and section 27, in the following words:

PROPOSED LAW.

Section 26. The manufacture, the sale, the giving away, or the transportation from one point within the state to another point within the state, of intoxicating liquor is prohibited. Any citizen of the state may, in his or her own name, maintain an action of injunction in the county where the violation occurs, to restrain such violation, provided, however, that to any criminal or civil prosecution for violation of this prohibition, it shall be a defense if it be shown

that the liquor in question was being manufactured, used, sold, given away, or transported for medicinal, scientific, mechanical or sacramental purposes. The manufacture, sale, giving, or transportation of such liquors for medicinal, scientific, mechanical, or sacramental purposes shall be regulated by law. Any person violating any provision of this section shall be fined for a first offense not less than one hundred dollars nor more than one thousand dollars, and for a second offense shall be fined not less than two hundred dollars nor more than twenty-five hundred dollars and imprisoned in the county jail not less than thirty days nor more than one year, provided, however, that additional penalties may be imposed by law.

Section 27. The transportation into the state of intoxicating liquor, unless it be shown to be for medicinal, scientific, mechanical, or sacramental purposes, is prohibited, subject, however, to the laws of the United States relating thereto. Any person violating any provision of this section shall be fined for a first offense not less than one hundred dollars nor more than one thousand dollars, and for a second offense shall be fined not less than two hundred dollars nor more than twenty-five hundred dollars and imprisoned in the county jail not less than thirty days nor more than one year, provided, however, that additional penalties may be imposed by law.

ARGUMENT IN FAVOR OF PROHIBITION.

This amendment is proposed by initiative petition procured by the California "Dry" Federation, a non-partisan organization.

Voters should enact it for every reason. License or other laws regulating the liquor traffic do not lessen drunkenness or the quantity of liquor consumed, but do make those who vote for them *responsible for evil results*.

The enormous consumption of liquors, resulting in sickness, idiocy, insanity, crime, profligacy and death, puts the issue squarely before our race to go "dry" or die. Science proves that habitual, moderate drinking is as bad as periodical drunkenness. Of ninety-seven children observed who were conceived while parents were partially intoxicated only fourteen were normal. Life insurance tables show the life expectancy of a person of twenty years, if a total abstainer, is 44 years, if a moderate drinker, 31 years, if a hard drinker, 15 years. Three drinks of liquor daily decrease efficiency five to eight per cent. Accidents due to alcohol and employer's liability laws compel employers to hire total abstainers. Healers, physical, spiritual and mental, are hindered by alcoholic conditions.

Seven hundred and seventy lunatics in our state hospitals in 1912 were registered as alcoholic insane. Half the remainder were so indirectly. (See Eighth Report State Lunacy Commission.) It cost California taxpayers \$1,469,967 to maintain these hospitals in 1912, and \$29,000,000 to deal with alcoholic crime. Liquor costs the taxpayer seven dollars for every dollar received in taxes or license fees. The Fifteenth Report, Bureau of Labor, shows our courts in two years dealt with 113,526 misdemeanors, of which 64,930 were "drunks" and 20,000 more were kindred crimes caused indirectly by alcohol. In "wet" towns huge police forces and many courts grind daily grists of crime; in "dry" towns few are needed. Other states show like conditions. Kansas under prohibitory laws has many counties without a criminal in jail or an insane person in hospital.

Brothels and red-light districts are part of the liquor traffic.

This amendment will help business and relieve poverty. Let breweries and distilleries be turned into flour mills. Let barley and corn be turned into beef, poultry or bread instead of liquor. The increased supply will lessen the cost of living. Let wine grapes worth six dollars per ton be substituted by table grapes worth thirty, or dried or turned into grape juice or syrup. Professor Bioletti says there is a market in the United States for ten times the whole product.

Our grapegrowers admit that wine grapes have been unprofitable, that their hope for future profit lies in the immigration of cheap laborers from Europe through the Panama canal. With pauper labor they hope to profit. (See Vol. II, Bulletin State Commission of Horticulture for 1913.) The liquor traffic is the confessed enemy of American labor. Laboring men do not desire to earn bread from evil business.

Immigrants from Europe are generally liquor drinkers. "Dry" the state and turn them elsewhere.

This amendment does not interfere with personal liberty. Like laws against opium, cocaine, lotteries, and horseracing, it interferes only with personal license. Remove temptation from people of weak or abnormal appetites. One who only drinks occasionally should vote "dry" to save them. The liquor traffic has never benefited anyone; it has ruined millions. Voter, it may ruin your son or daughter as it has ruined others. Carefully investigate. Vote "Yes."

SAMUEL W. ODELL.

ARGUMENT AGAINST PROHIBITION.

There are three objections to this amendment:

First—Prohibition is contrary to sound political principles. The best government, as all authorities agree, is that which most liberally lets its citizens alone, constraining them in nowise inconsistent with common sense ideas of perfect freedom. Political science teaches that reform to be effective must be temperate. Nothing ever remains of any artificial reform except what was ripe in the conscience of the masses. The un-ripeness of total abstinence is evident from the failure of prohibition in Maine, Kansas, Georgia and other states where it is at once a scandal and a farce.

Second—Prohibition is immoral and contrary to the teachings of religion and physiological science. A form of intolerance, it substitutes enmities and hatreds for peace and goodwill, the foundations of the soundest morality. It breeds general demoralization, since wherever it is enacted moonshine distilleries, little kitchen breweries and hidden wine presses flourish; the spy system, the most mischievous of all governmental agencies, is established, and officials are corrupted by lawbreakers, as always where laws are not sanctioned by a heartfelt and vigilant public sentiment. Further, prohibition is immoral in that it breeds intellectual dishonesty among its advocates. Consider their sweeping assertion that even moderate drinking causes disease and leads to vice. Scientists gathered from all countries at the physiological congress in Cambridge affirmed officially that alcohol "supplies energy like all common articles of food, and that it is physiologically incorrect to designate it as a poison," also, that "there is nothing to show that a moderate daily use of alcohol in any kind of beverage may not be beneficial to health."

Third—Prohibition in California, especially on the eve of the Panama-Pacific International Exposition, would be an economic blunder of colossal proportions. Why should California destroy her great wine industry? In the cultivation of it she has spent enormous sums of public money, and has made the fostering of it one of the duties of the State University.

California has 320,000 acres devoted to viticulture. The wine industry represents an investment of \$150,000,000, yields annually \$30,000,000, supports 75,000 persons. California breweries represent an investment of \$50,000,000, distribute annually \$6,000,000 to 4,000 employees, consume annually \$1,000,000 worth of California barley, \$175,000 worth of California hops, and \$2,500,000 worth of other essentials. They pay the general government an annual revenue of \$1,350,000 and about the same amount to towns and counties.

In the manufacture and distribution of liquors 282,000 persons are employed and dependent. In the distribution of liquors \$10,000,000 is invested, and the annual license tax paid is \$3,000,000.

So prohibition would not only destroy great properties and industries, impoverish thousands of families and increase the army of unemployed, but it would substitute the vilest of poisonous concoctions for our pure wines, beers and brandies, and make every taxpayer pay the cost of the industrial cataclysm. And to what end? Prohibition has been a failure wherever the hobby has been given the dignity of legal sanction.

Do prohibitionists believe, as they say, that the race is dying? Mankind has been drinking thousands of years, never so moderately as now; and Professor Muensterberg, greatest living psychologist, holds that alcoholic stimulants are essential to great achievement. Drunkenness is deplorable, but it has been steadily declining for one hundred years without the aid of prohibition.

Vote "No."

WILLIAM SCHULTZ.

Sec'y California State Brewers' Ass'n.

EIGHT HOUR LAW.

Initiative act adding section 393½ to the Penal Code.

Declares it a misdemeanor, punishable by fine or imprisonment in county jail or both, for an employer to require or permit, or to suffer or permit his overseer, superintendent, foreman or other agent to require or permit, any person in his employ to work more than eight hours in one day, or more than forty-eight hours in one week, except in case of extraordinary emergency caused by fire, flood, or danger to life or property.

The electors of the State of California present to the secretary of state this petition, asking that the proposed amendment to the Penal Code hereinafter set forth be submitted to the electors of the State of California for their approval or rejection.

An act to amend the Penal Code by adding a new section thereto, to be numbered 393½, limiting the hours of labor of employees and providing a penalty for violation of the provisions of this act.

The people of the State of California do enact as follows:

HOURS OF LABOR.

Any employer who shall require or permit, or who shall suffer or permit any overseer, superintendent, foreman, or other agent of such employer, to require or permit any person in his employ to work more than eight hours in one day, or more than forty-eight hours in one week, except in case of extraordinary emergency caused by fire, flood, or danger to life or property, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not less than \$50 nor more than \$500, or imprisoned in the county jail not less than 10 nor more than 90 days, or both so fined and imprisoned.

ARGUMENT IN FAVOR OF EIGHT HOUR LAW.

The fight for a shorter work day began with the wage system. It is a vital part of the labor program. The workers of California should take advantage of this opportunity to crystallize into law what has already been accomplished by organized effort.

The progress of civilization is indicated in the capacity of the workers to sustain themselves with a minimum expenditure of energy. To organized labor, more than to any other one agency, are we indebted for the shorter work day.

An eight hour day means an increased demand for men. It relieves the unemployment pressure. Under a long hour day some men work while others are idle. Enforced idleness is not leisure. Idleness will impoverish, degrade and dwarf. Leisure will enrich and elevate character. It will give the workers opportunity for study and organization. More idlers working, more workers thinking.

The eight hour day does not reduce wages. Men are not paid according to what they produce, but according to the law of supply and demand. As the competition for jobs becomes less fierce, wages correspondingly rise. Shorter hours mean a reduction in profits and fortunes made from labor.

Labor has had but a meager share in the benefits of improved machinery. The introduction of labor saving devices demands a corresponding reduction in the hours of labor.

The eight hour day conserves the health of the worker, and extends the working period of his life.

The passage of this bill will discourage the importation of cheap labor, and prevent the employing class from manipulating the labor market when it shall have become flooded by immigration through the Panama canal. Employers of labor in this state are planning to abolish the eight hour day. It rests with the voters to decide whether the standard of living in California shall be reduced to the level of southern Europe.

Fifty-eight

The eight hour day will not paralyze industry. Skilled labor and women are already operating on this basis. California's industries are still growing.

The farm laborer now bears the brunt of the extortions of railroads and middlemen, by working long hours for low wages. This bill will place him on the same basis as other workers, and shift the burden where it rightly belongs.

The domestic servant will be relieved of unbroken daily drudgery.

Shorter hours of labor promote purer and better family life. Long hours exhaust the toiler, and unfit him for social pleasures. They divorce the parent from the child. An eight hour day will effectively diminish the vast number of criminals, paupers and idlers who consume the people's substance.

All the arguments against this measure resolve themselves into this one—it will encroach on the profits of the exploiters of labor. All the arguments in its favor converge finally into this one—for the great majority of the common people, it will bring more abundant life.

THOS. W. WILLIAMS.

State Secretary Socialist Party of California.

ARGUMENT AGAINST EIGHT HOUR LAW.

This measure proposes an arbitrary eight hour day in all occupations, whether or not it suits the interests of laborer or employer.

It substitutes rigid rule of law for reasonable liberty of action. It prohibits "overtime" by which employees and employers divide the burdens of emergency by co-operation. Without overtime ships would wait at the docks for loading and repairs; delayed trains could not reach destination; business and industry would be in continual confusion. It limits "piecework," the employee's reward for efficiency; increases the cost of living, and adds to the expense of childbirth, illness and death. It affects all labor for hire, including household helpers, hospital attendants, newspapermen and professors.

All engaged in manufacture and trade will pay the penalty, also farming, which produces "food for all." The farmer sustains manufacturing and trade; he makes opportunity for transportation and labor, and is the basic factor in the development of the state; but neither he nor the rule of law can regulate the weather or govern conditions which control the production of land. He cannot fix prices on export products, which must compete in the world's markets, hence he must recover added cost of production from domestic consumers.

If the farmer is prevented from getting full service from his teams and implements, seeding operations will be retarded, grains may rot in the fields and fruits may perish in the orchard. His teamster may be stopped on a long haul and delayed by a sixteen-hour layover. Is it reasonable, then, to impose upon the farmer a law which subjects him to heavy penalty and makes him a criminal if the weather, which holds him to idleness today, compels him to work overtime tomorrow? He can not substitute other men; the stroke of the clock; besides, there is no labor supply for substitution, and, in view of the lack of winter employment, it would be unjust and foolish to attract to California for harvest work

many thousands of additional workers by promising an alluring and easy life under the proposed universal eight hour law.

To the employee, also, the results would be disastrous, for to him would fall not only the higher cost of living, but matters would finally so adjust themselves that the employee would be paid for his hours of work only, shortening his hours of labor and lessening his daily pay. And he would still have to meet the higher cost of living.

Limitation of hours means increased cost of production, and thus would compel California to compete on this basis with states none of which

have such law. It would be stupid business to thus limit our productive power and place California at a disadvantage in the world's markets.

An eight hour day would lessen employment for white farm labor, and increase leasing to Oriental "partnerships" which would escape the proposed law; it would compel many farmers to send wives and children into the field, as in Europe. Both alternatives are offensive to American standards and should be opposed. This measure, if carried, will further increase the existing industrial depression. Vote "No."

G. H. HECKE

LAND TITLE LAW.

Initiative act amending act for certification of land titles.

Constitutes county recorders registrars of title; prescribes procedure for obtaining decree establishing title and ordering registration; provides for issuance of certificates of title, method of effecting transfers, notation of liens, encumbrances and charges, correction of register and certificates, protection of bona fide purchasers, registration fees, and penalties for fraud and forgeries; regulates transactions respecting registered land; creates from certain fees, paid on original registration, title assurance fund held by state treasurer to indemnify persons for loss of any interest in land through operation of act.

The electors of the State of California hereby petition, and present this, their petition, to the secretary of state, that there be submitted to the electors of the State of California, for their adoption or rejection, the following proposed law:

An act to amend an act entitled "An act for the certification of land titles and the simplification of the transfer of real estate," approved March 17, 1897.

The people of the State of California do enact as follows:

An act entitled "An act for the certification of land titles and the simplification of the transfer of real estate," approved March 17, 1897, is hereby amended to read as follows:

Section 1. Recorders and ex officio recorders in the several counties of this state shall be registrars of titles in their respective counties, and their deputies shall be deputy registrars. All laws relative to recorders and their deputies, including their compensation, clerk hire, and expenses, shall extend to registrars and their deputies, so far as the same may be applicable, except as otherwise provided in this act. Registrars of titles shall be county officers within the meaning of the laws of this state.

Sec. 2. The official bonds now required by law to be given by recorders before entering upon the discharge of their duties, shall also apply to and cover the faithful discharge of their duties as registrars, and of their deputies, whether such additional condition be specifically provided for in such bonds or not; provided, however, that recovery on such bond be had only for damages sustained through the gross or wilful negligence or gross or wilful neglect of duty or gross or wilful mismanagement on the part of such recorder or registrar or any of his deputies.

Sec. 3. Deputies may perform any and all duties of the registrar, in the name of the registrar, and the acts of such deputies shall be held to be the acts of the registrar.

Sec. 4. Registrars and deputy registrars are prohibited from practicing law, or acting as attorneys or counselors at law, or having as a partner a lawyer or any one who acts as such, or from acting as searchers of title under this act, excepting only such deputies as may be appointed as attorneys pursuant to the provisions of section 108 of this act.

Sec. 5. All land may be brought under the operation of this act by the owner or owners of any estate or interest therein, whether legal or

equitable (other than an undivided share or an easement) by filing with the county clerk his or her or their verified petition to the superior court of the county within which such land is situated, which petition shall set forth the following facts, to wit: The full name, occupation, residence, and post-office address of the applicant or applicants, and where any applicant appears by any representative because of any disability, also, the full name, occupation, residence and post-office address of the person so representing the applicant and the reasons for his so acting; if the application is by a corporation, its name, when and where incorporated, its principal place of business and the names and post-office addresses of its president and secretary, or if none, its executive officers; whether or not the applicant is married and if married, the full name and residence of the husband or wife; and if unmarried, whether he or she has been married, and if so, how the marriage relation terminated, and if the marriage relation was terminated by annulment or divorce, where and by what court; that each of the applicants is of the full age of twenty-one years and free from any disability, or if a minor or under disability, his age and the nature of such disability; a description of the land; the value at which the land and permanent improvements, if any, were assessed on the last assessment for county taxation; and if the application is by more than one person, any one of whom claims title in severalty to any part of the land described in the petition, the particular part of the land to which each petitioner severally claims title; a statement of the estate or interest which each applicant has or claims and whether or not the same is community property or is subject to a homestead or to any easement, lien or incumbrance and if so the name and post-office address, if known, of each holder thereof, the nature and the amount of the same, and if recorded, the book and page of the record; a statement of whether or not the land is occupied and if so, the full name and post-office address of each occupant and what interest he has or claims; a statement of any other person who has any estate or claims any interest in the or any part of the land, in law or equity, in possession, remainder, reversion or expectancy and the names and post-office addresses, if known, of every such person together with the names and post-office addresses of all the owners of adjoining lands, so far as the same can be ascertained upon diligent inquiry. If the application is by a husband or

wife and the property is community property or is subject to a homestead, both spouses must join in the application; persons who collectively claim to own the entire legal estate in fee simple to the or any part of the land may join in the petition; a corporation may apply by its duly authorized agent; the estate of a deceased person by the administrator or executor and a minor or other person under disability by his legally appointed guardian, but the person in whose behalf the application is made shall be named as applicant. Land constituting a single parcel and lying partly in two or more counties may be included in one application, which may be made in either county in which the land lies, but the certificate issued therefor must be filed with the registrars of all the counties within which such land is situate.

Sec. 6. If said land is part of a city, town or subdivision of which a map or plat made and verified as required by the then existing laws of the State of California or an official map is on file in the office of the county recorder and upon such map the land appears in such manner that it can be identified thereon by reference, the application may refer to such map. In all cases where said land can not be identified by reference to such map or where no such map is on file in the office of the county recorder, a plat or plan of survey of the land made by the county or a licensed surveyor must accompany the application. Such survey must show the boundaries of the land and its relation to adjoining lands and streets and any encroachments if any. The court may, in any case, before decree, require a survey to be made for the purpose of determining exact boundaries. If the application describes the land as bounded by a public or private way, it shall state whether or not the applicant claims any and what land within the limits of the way and whether the applicant desires to have the line of the way determined.

If it appears by the petition that the applicant, either by himself or by himself and his predecessors in interest, has been in the actual, exclusive and adverse possession of the or any part of the land described, continuously for more than five years next preceding the filing of the petition claiming to own the same in fee against the world, and that he has or that he and his predecessors in interest have paid all taxes of every kind legally levied or assessed against such property during said period, the petition must then also state the character of such possession and the applicant must prove the same to the satisfaction of the court on the hearing. Each application must be accompanied by an abstract of title to all land which does not appear by said petition to have been adversely held as hereinabove provided. When the title to the or any of the land described has been previously determined by a final decree of a court of competent jurisdiction, no abstract regarding the same need antedate such decree.

When the title to the or any of the land described has been previously insured by a corporation transacting business in insuring titles to real estate and a policy of insurance has been issued by said corporation and at the time of the issuance of said policy, said company had fully complied with all laws of the State of California, such policy may be made the starting point of any abstract to be filed under the provisions of this act and the abstract of title so to be presented need only commence at the date of such title insurance policy and the verification thereof hereinafter provided need only apply to the portion of said abstract subsequent to the date of said title insurance policy, but must include all defects or exceptions stated in said policy.

All abstracts herein referred to must be verified by the searcher making the same, as in proceedings in partition, or if made by a corporation, by the certificate of such corporation, under its seal. Where actual, exclusive and adverse possession and payment of taxes is alleged but not proved to the satisfaction of the court on the hearing, the court may require an abstract of the title as herein provided to be furnished which shall then be used in the same manner as if such abstract had been filed with the application.

No person, nor any corporation which, at the time has not fully complied with the provisions of the laws of the State of California, shall be authorized to make or furnish such abstracts of title until after entering into an undertaking with two or more sufficient sureties to the people of the State of California in a sum not less than \$10,000.00, which may be increased from time to time by order of the court whenever it shall appear to such court that by reason of the number of abstracts of title

which any one person or corporation is making or furnishing under one bond, the state is not sufficiently secured thereby.

Such bond shall be recorded in the record of official bonds in the recorder's office of the county. Said bond shall be conditioned to pay all damages and costs which the state may sustain by reason of any error or insufficiency in said or any of said abstracts. The sureties on such bond shall qualify as provided in section ten hundred and fifty-seven of the Code of Civil Procedure and the sufficiency of the bond and of the sureties thereon shall be approved by a judge of the superior court of the county where such bond is to be filed. The sureties upon such bond may become severally liable in portions of not less than five hundred dollars each, making in the aggregate at least two sureties for the whole sum.

Upon any petition hereunder being filed, the clerk shall immediately endorse thereon the exact time of its presentation and shall enter the same in a book kept for that purpose known as the land register docket.

Sec. 7. No mortgage, lien, charge, or lesser estate than a fee simple shall be registered unless the fee simple to the same land is first registered. It shall not be an objection to bringing land under this act, that the estate or interest of the applicant is subject to any outstanding lesser estate, mortgage, lien, or charge; but every such lesser estate, mortgage, lien, or charge shall be noted upon the certificate of title and the duplicate thereof, and the title or interest certified shall be subject only to such estates, mortgages, liens, and charges as are so noted, except as herein provided.

Sec. 8. No title derived through sale for any tax or assessment shall be entitled to be first registered, unless it shall appear to the satisfaction of the court upon the hearing of the application that the applicant or those through whom he claims title, have been in the actual, exclusive and adverse possession of the land under such title at least five successive years and have paid all taxes and assessments legally levied thereon during said period. But the foregoing shall not apply to any title derived through sale by the State of California of any property which has been sold by the state for taxes and held by the state for the period provided by law.

Sec. 9. The application may be amended only by petition verified as in the case of the original. Such amendment may be ordered by the court on its own motion, or upon the motion of any person interested in the proceedings.

Sec. 10. The filing of the application in the office of the county clerk shall be sufficient notice of the same to all subsequent purchasers or incumbrancers without the filing of a lis pendens in the office of the recorder.

Sec. 11. The court shall, in its discretion, where one or more abstracts are presented with the petition, examine them itself or refer the same as provided in section 18 of this act. If it shall appear to the court from an examination of the abstract or abstracts or from the report of the examiner of titles or from the petition where no abstracts are required, that the title to the land described in the application appears to be substantially as alleged, the court shall order notice to be given as provided in this act.

Sec. 12. When the court shall order notice given, a notice must be issued, under the seal of the court, which shall contain the name of the court and the county in which the action is brought, the name or names of the applicant or applicants and a particular description of the land involved, which notice shall be directed to all parties appearing by the petition or the petition and abstract or by the report of the examiner of titles, if any, to have any interest in the land or any part thereof and which notice shall contain a statement that the petition has been filed by the applicant or applicants for the registration of the title to the land described therein as provided by this act and praying for a decree declaring the applicant or applicants to be the owner in fee of such land in accordance with the prayer of said petition and which notice shall direct all whom it may concern to appear and answer said petition within ten days after personal service if served within the county or within thirty days if served elsewhere and that otherwise the court will grant said petition and direct registration of the title to said land in accordance with the terms of this act and that said person so served will be forever barred from disputing the same. When the notice is issued, service thereof shall be made as follows: In all cases said notice shall be published in a newspaper of general circulation published in the county, to be designated by the court, for four successive weeks; if the notice be published in

a daily newspaper, publication therein once a week for four successive weeks shall be sufficient. All parties who have not joined in the petition or assented thereto in writing and who appear by the petition or petition and abstract or report of the examiner of titles to be interested in the fee, all occupants named in the petition and the husband and wife of the applicant, if married, shall be personally served with a copy of the notice, attached to a copy of the petition, if they reside in the state and can, with reasonable diligence, be found and served therein. All owners of adjoining lands who have not given their written consent to the hearing of the petition and who reside in the state and can, with reasonable diligence, be found and served therein, shall be served with a copy of said notice, without a copy of said petition, personally.

As to all persons who have not joined in the petition or who have not in writing assented to the hearing thereof, who do not reside in the state or who can not, with reasonable diligence, be found and served therein, a copy of such notice, without a copy of the petition, shall, within thirty days after the first publication of such notice, be sent to such party at his last known place of residence, by mail, postage prepaid and if his last known place of residence can not with reasonable diligence be ascertained, then such notice must be mailed to him in care of the county clerk of the county in which the land is situated; provided, however, that as to all such persons so to be served by mail who appear by the petition or petition and abstract or report of the examiner of titles to be interested in the fee, a copy of the petition shall be attached to the copy of the notice mailed to them as herein provided, provided, further, that no copy of abstract, order or map need be served with any notice.

All persons who claim an interest may appear and object to the granting of the application and if such objection is sustained, the costs of the same shall be paid by the applicant; if not, by the person so objecting. The time for appearance shall be ten days after personal service within the county; thirty days after personal service out of the county and in the state; all persons not required by this section to be served personally shall have sixty days after the first publication of such notice within which to appear.

All persons having or claiming any interest in the land or any part thereof may assent in writing to the registration thereof and the person thus assenting need not be named as a defendant in the registration proceeding, or, if already named as a defendant, need not be served with notice therein. Such assent shall be executed and acknowledged in the manner now required by law for the execution and acknowledgment of a deed and shall be filed with the clerk of the court.

Sec. 13. Upon the petition of the applicant or of any person interested in the proceedings, the court shall appoint a disinterested person to act as guardian ad litem for minors and other persons under disability and for all persons not in being who may appear to have any interest in or lien upon the land. If the petition prays to have the line of any public way determined, notice shall be given to the mayor or other presiding officer of any incorporated city or town in which such way is situated or if such way be situated outside of any incorporated city or town, then to the chairman or presiding officer of the board of supervisors of the county in which such way lies, by delivering to such mayor or other presiding officer or to the chairman or presiding officer of such board of supervisors a copy of such notice personally. If the land borders on a navigable stream or on an arm of the sea or if it otherwise appears from the application or the proceedings that the state may have a claim adverse to that of the applicant, notice shall be given in the same manner to the attorney general. The court may also cause such other or further notice of the application to be given as it may deem necessary and proper.

Sec. 14. After the notice required to be given by this act has been given and the time for all persons to appear has expired, the court shall set the petition down for hearing upon notice to all persons who have appeared as is required in other civil actions and shall proceed to determine the title to all the land described in the petition and of all persons who may have any interest therein or in any part thereof and whether or not the or any part of the land, the title to which is so determined is the separate or community property of the party found to be the owner and whether or not the title to the or any part of the land is held in any special capacity and shall make, give and enter a decree confirming the title of the person found to be the owner whether he be the applicant or any other person who may,

in the proceeding, ask to have his title registered and shall order the registration of all such land.

Upon the trial of any issue of fact raised by the verified pleading of any person claiming by such pleading to have an interest in the or any part of the land or appurtenances, such issue shall, upon demand of any party appearing, be submitted to a jury in the same manner and to the same extent as such issue can, under general law and the constitution of the state, be submitted to a jury trial in like matters and, when so submitted, the verdict of the jury shall have the same force and effect as is provided by general law upon the submission of like issues to a jury.

Sec. 15. Every decree shall state whether or not the owner of the land directed to be registered is married or unmarried and, if married, the full name of the spouse; if the owner is under a disability, it shall state the nature of the disability and the person acting for him and the source of his authority and if a minor, it shall state his age and in whose custody his estate then is; it shall also contain an accurate description of the land to which the court shall determine title and shall set forth the estate of the owner and also, in such a manner as to show their relative priority, all particular estates, mortgages, easements, liens, attachments and other incumbrances, including the rights of husband or wife, if any, to which the land or the owner's estate therein is subject and may contain any other facts properly to be determined by the court. The decree shall be stated in a form convenient for transcription upon the certificate of title and any lien or other charge against the property, if recorded, shall be referred to by book and page of the record.

Any party aggrieved by such decree may appeal therefrom in the manner now or hereafter provided by law for appeals in civil actions; such decree shall be filed with the clerk and a certified copy thereof filed with the registrar, who shall thereupon issue a certificate of title to each person declared by said decree to be the owner of any parcel of land in severalty and said registrar's act in filing said decree and issuing said certificates shall have the effect of bringing said land under the operation of this act as herein provided as of the date of filing of the petition. Said certificate shall contain a description of the property registered and shall also show the character of the ownership and whether or not the land is separate or community property and if community the names of both husband and wife, the nature, amount and order of the liens and incumbrances and other charges against the same and any other interest or condition which shall be found to exist by the decree.

Sec. 16. A decree of the court ordering registration shall be in the nature of a decree in rem, shall forever quiet the title to the land therein ordered registered and shall be final and conclusive as against the rights of all persons, known and unknown, to assert any estate, interest, claim, lien or demand of any kind or nature whatsoever, against the land so ordered registered or any part thereof, except only as in this act provided.

Sec. 17. Whenever any proceeding is hereafter commenced in the superior court of any county by any person or persons either for themselves or in a representative capacity, wherein it is sought to quiet, establish title to, partition land or to administer upon any estate of a deceased person where the estate consists in whole or in part of land, and in which proceeding the court has or can acquire jurisdiction of such land in rem, any decree rendered in any such proceeding quieting or establishing the title to any land or partitioning or distributing land may order such land registered under this act whenever, in such proceeding, notice of the intention to include an order of registration thereof in any such decree shall have been published and service thereof made on all persons interested in the manner required by this act and when, in the application for such notice, in such proceeding, the facts required to be set forth by sections 5 and 6 of this act are alleged.

Sec. 18. Upon the filing of the petition or thereafter, the court may, in its discretion, appoint an examiner of titles to whom any abstract or abstracts may be referred for examination. Such examiner of titles shall be an attorney in good standing, skilled in the examination of titles and admitted to practice before the supreme court of the state for at least five years preceding his appointment. The compensation of such examiner shall be agreed upon between the applicant or other parties and the examiner or if not agreed upon shall be fixed by the court and such compensation shall be paid by the person or persons in whose favor registration is granted as a part of the cost of the proceedings. More than one examiner may be appointed in any county if desired.

Sec. 19. Whenever an examiner of titles is appointed and any abstract is referred to him for examination, he shall proceed to examine into the title of the land described in the application and shall investigate all facts pertaining to the title which shall be brought to his notice and shall file a written report with the court together with a certificate of his opinion upon the title. No decree shall be entered by the court in cases where a reference is had, until the written opinion of such examiner shall be filed. The court shall not be bound by any report of such examiner but may require other or further proof.

Sec. 20. Any applicant may, upon payment of all fees due, withdraw his application at any time prior to the hearing thereof and upon the written request of such applicant and the order of the court, the clerk shall return to the applicant all abstracts of titles, deeds, and other instruments, except depositions or affidavits deposited by him for the purpose of supporting his application.

Sec. 21. In case of the death or any disability of the applicant, the court, on motion, may allow the proceeding to be continued by or against his representative or successor in interest. In case of any other transfer of interest the proceeding may be continued in the name of the original applicant, or the court may allow the person to whom the transfer is made to be substituted in the proceeding.

Sec. 22. Immediately upon the filing with the registrar of the certified copy of the decree ordering registration, he shall proceed to register the title in accordance with the directions of the decree and issue a certificate or certificates of title in the manner therein directed and the registrar shall also immediately make an entry in a book kept by him for that purpose showing the name of the person to whom the certificate was issued, its number, the day, hour and minute of its issuance, the name of the person to whom the duplicate certificate was delivered and the book and page where the original certificate is entered or recorded. In said book there shall be provided a place for the signature of the person to whom a certificate is issued upon giving receipt for such certificate as provided for by section 30 of this act and where in cases where such receipt is not signed in the presence of the registrar, the same may be pasted. Such receipts when so signed and witnessed or acknowledged shall be prima facie evidence of the genuineness of the owner's signature.

Sec. 23. Every first and subsequent certificate of title shall be in duplicate and numbered consecutively and bear date the year, month, day, hour, and minute of its issue, and shall be under the hand and official seal of the registrar. One copy of said certificate shall be retained by the registrar and be known as the original, and the other shall be delivered to the owner, or person acting for him, and be known as the duplicate. The certificate shall state whether the owner, except in the case of a corporation, executor, administrator, assignee, or other trustee, is married or not married, and, if married, the name of the husband or wife. If the owner is a minor, it shall state his age; if under any other disability, the nature of the disability. If issued to an executor or administrator, the certificate shall show the name of the deceased testator or intestate; if to an assignee in insolvency or trustee in bankruptcy the name of the insolvent or bankrupt. The registrar shall note at the end of the certificate, original and duplicate, in such manner as to show and preserve their priorities, the particulars of all estates, mortgages, liens, incumbrances, and charges to which the owner's title is subject.

Sec. 24. No particular form of certificate of title is required, but the same may be, subject to such changes as the case may require, substantially in the following form:

State of California, } ss.
County of _____ }

A. B. (state occupation and residence, giving street and number), State of California (if an administrator, give the name of the deceased; if a minor, give his age; if under other disability, state its nature), married to (name of husband or wife, or if not married so state), is the owner of an estate in fee simple (or as the case may be) in the following land (insert description contained in the decree). Subject, however, to the estates, easements, liens, incumbrances, and charges hereunder noted. (In case of trust, condition, or limitation, say "in trust," or "upon condition," or "with limitation," as the case may be.)

1. Mortgage to _____ for the sum of \$ _____, dated _____, payable _____ after date, with interest at _____ per cent per _____, interest payable _____.

2. Mechanic's lien in favor of X. Y. for \$ _____, filed _____, sixty-two

3. Assessment for improvement of _____ street. Amount \$ _____, due _____.

(Any other incumbrances or charges.)

In witness whereof, I have hereunto set my hand and cause my official seal to be affixed, this _____ day of _____.

Registrar of Titles in and for the County of _____, State of California.

[SEAL]

Sec. 25. In all cases where two or more persons are entitled as tenants in common to an estate in registered land, such persons may receive one certificate for the entirety, or each may receive a separate certificate for his undivided share.

Sec. 26. Upon the application of any registered owner of land held under separate certificates of title, or under one certificate, and delivering up of such certificate or certificates of title, the registrar may issue to such owner a single certificate of title for the whole of such land, or several certificates, each containing a portion of such land, in accordance with such application, and as far as the same may be done consistently with any regulations at the time being in force, respecting the certificates of land that may be included in one certificate of title; and upon issuing any such certificate of title said registrar shall indorse on the last previous certificate of title of such lands so delivered up a memorial, setting forth the occasion of such cancellation and referring to the volume and folium of the new certificate or certificates of title so issued.

Sec. 27. In the event of a duplicate certificate of title being lost, mislaid, or destroyed, the owner may apply to the court for an order upon the registrar to issue a certified copy of the original certificate of registration. Upon the hearing of such application, the court may order such notice to be given to such persons and for such time as it may deem proper. If the court is satisfied that the applicant is the person named in the original certificate on file in the registrar's office, and that the duplicate certificate has been lost, mislaid, or destroyed, the court shall make an order directing the registrar to issue a certified copy of the original certificate to the applicant. A certified copy of such order shall be filed in the registrar's office, who shall thereupon issue to such applicant a certified copy of the original certificate with the memorials and notations appearing upon the register and shall note upon the register the fact, cause and date of such issue and shall also mark upon such certified copy: "Owner's certified copy, issued in place of lost (mislaid, or destroyed, as the case may be) certificate," and such certified copy shall stand in the place of, and have like effect as, the missing duplicate certificate. In case of a lost certificate, no transfer of the land shall be made until such certified copy is issued by the registrar. A certified copy of the certificate of title may be issued by the registrar for use as evidence, upon the receipt by him of an order therefor made by the court; provided, that such certified copy shall have written or stamped across the face thereof the words "for use as evidence only." The issuance of such certified copy and the purpose thereof shall also be noted upon the original certificate by the registrar.

Sec. 28. If an owner's name or description is incorrectly registered, or becomes changed (e. g. by marriage, adoption, divorce, etc.), the court, upon the filing of an application and proof of facts in the manner set forth in section twenty-seven of this act, and the production by the owner of the duplicate certificate, shall order the registrar to issue a new certificate, with such changes as the case may require.

Sec. 29. The registrar shall keep a book, to be known as the "register of titles," wherein he shall enter all original certificates of title, in the order of their numbers, with appropriate blanks for the entry of memorials and notations allowed by this act. Each certificate, with such blanks, shall constitute a separate folium of such book. All memorials and notations that may be entered upon the register under the terms of this act shall be entered upon the folium constituted by the last certificate of title of the land to which they relate. Each certificate of title shall be numbered the same as the folium of the register on which the registration of the title of which it is a duplicate, is entered.

Sec. 30. Before the delivery of any duplicate certificate of title, a receipt for it shall be required, to be signed by the owner. Where such receipt is signed in the presence of the registrar or a deputy, it shall be witnessed by such officer. Signed elsewhere, it shall be acknowledged before any officer authorized to take acknowledgments of deeds.

Sec. 31. In every case of first registration of land or an estate or interest therein, the same shall be deemed to be regis-

tered under this act, when the registrar shall have marked upon the certificate of title, in duplicate, the volume and folium of the register in which the original may be found.

Sec. 32. Every transfer of registered land shall be deemed to be registered under this act, when the new certificate to the transferee shall have been marked, as in the case of the first registration; and all other dealing shall be considered as registered when the memorial or notation shall have been entered in the register upon the folium constituted by the existing certificate of title of the land. But, for the protection of the transferee or person claiming through any transfer or dealing, the registration shall relate back to the time of filing in the registrar's office the deed, instrument, or notice, pursuant to which the transfer, memorial or notation is made.

Sec. 33. Any person feeling himself aggrieved by the action of the registrar, or by his refusal to act in any manner pertaining to the first registration of land, or any subsequent transfer, or charge upon the same, or failing or neglecting, or refusing to file any instrument, or to enter or cancel any memorial or notation, or to do any other thing required of him by this act, may file a complaint in the superior court making the registrar and other persons, whose interest may be affected, parties defendant, and the court may proceed therein as in other cases, and make such order or decree as shall be according to equity and the purport of this act. A certified copy of such order or decree shall be presented to the registrar, who shall file the same and make such entry thereof as by this act required.

Sec. 34. The registered owner of any estate or interest in land brought under this act shall, except in case of fraud to which he is a party, or of the person through whom he claims without valuable consideration paid in good faith, hold the same subject only to such estates, mortgages, liens, charges, and interests as may be noted in the last certificate of title in the registrar's office, and free from all others, except:

1. Any subsisting lease or agreement for a lease for a period not exceeding one year, where there is actual occupation of the land under lease. The term "lease" shall include a verbal letting.

2. All land embraced in the description contained in the certificate which has theretofore been legally dedicated as or declared by a competent court to be a public highway.

3. Any subsisting right of way or other easement, created within one year before issue of the certificate upon, over, or in respect of the land.

4. Any tax or special assessment for which a sale of the land has not been had at the date of the certificate of title.

5. Such right of action or claim as is allowed by this act.
6. Liens, claims, or rights arising under the laws of the United States, which the statutes of California can not require to appear of record upon the register.

Sec. 35. After land has been registered, no title thereto adverse or in derogation to the title of the registered owner shall be acquired by any length of possession.

Sec. 36. Except in case of fraud, and except as herein otherwise provided, no person taking a transfer of registered land, or any estate or interest therein, or of any charge upon the same, from the registered owner, shall be held to inquire into the circumstances under which, or the consideration for which, such owner or any previous registered owner was registered, or be affected with notice, actual or constructive, of any unregistered trust, lien, claim, demand, or interest; and the knowledge that any unregistered trust, lien, claim, demand, or interest is in existence shall not of itself be imputed as fraud.

Sec. 37. In case of fraud, any person defrauded shall have all rights and remedies that he would have had if the land were not under the provisions of this act; provided, that nothing contained in this section shall affect the title of a registered owner who has taken bona fide for a valuable consideration, or of any person bona fide claiming through or under him.

Sec. 38. If a deed or other instrument is registered, which is forged, or executed by a person under legal disability, such registration shall be void; provided, that the title of a registered owner, who has taken bona fide for a valuable consideration, shall not be affected by reason of his claiming title through some one, the registration of whose right or interest was void, as provided in this section.

Sec. 39. No unregistered estate, interest, power, right, claim, trust, or trust shall prevail against the title of a registered owner taking bona fide for a valuable consideration, or of any person bona fide claiming through or under him.

Sec. 40. In any suit for specific performance brought by a

registered owner of any land under the provisions of this act against a person who may have contracted to purchase such land, not having notice of any fraud or other circumstances which, according to the provisions of this act, would affect the right of the vendor, the certificate of title of such registered owner shall be held in every court to be conclusive evidence that such registered owner has a good and valid title to the land, and for the estate or interest therein mentioned or described.

Sec. 41. In any action or proceeding brought for ejectment, partition, or possession of land, the certificate of title of a registered owner shall be held in every court to be conclusive evidence, except as herein otherwise provided, that such registered owner has a good and valid title to the land, and for the estate or interest therein mentioned or described, and that such registered owner is entitled to the possession of said land.

Sec. 42. The register of any land, and duly certified copies thereof, shall, except as herein otherwise provided, be received in law and in equity as evidence of the facts therein stated, and as conclusive evidence that the person named therein as owner is entitled to the land for the estate or interests therein specified.

Sec. 43. Whenever a memorial has been entered, as permitted by this act, the registrar shall carry the same forward upon all certificates of title until the same is canceled in some manner authorized by this act.

Sec. 44. All dealings with land, or any estate or interest therein, after the same has been brought under this act, and all liens, incumbrances, and charges upon the same subsequent to the first registration thereof, shall be deemed to be subject to the terms of this act, and to such amendments and alterations as may hereafter be made. The bringing of land under this act shall imply an agreement which shall run with the land, that the same shall be subject to the terms and provisions of this act and of the amendments and alterations thereof.

Sec. 45. No person shall commence any action at law or in equity for the recovery of land, or assert any interest or right in, or lien or demand upon the same, or make entry thereon adversely to the title or interest certified in the first certificate bringing the land under the operation of this act after one year following the first registration. It shall not be an exception to this rule that the person entitled to bring the action or make the entry is deceased, an infant, lunatic, or is under any disability, but action may be brought by such person by his next friend or guardian or by the administrator or the executor of a deceased person. It shall be the duty of the guardian, if there is any, to bring action in the name of his ward whenever it is necessary to preserve or enforce the ward's rights in registered land; provided, however, before such action shall proceed, it must be made to appear to the court that the person bringing such action or those under whom he claims, had no actual notice of the proceedings to register such lands in time to appear and file his objections or assert his claim. The provisions of this section shall in no way effect or disturb the rights of any person in said land, acquired subsequent to the registration thereof, bona fide and without knowledge and for a valuable consideration.

Sec. 46. In all estates of deceased persons the administrator or executor may file a petition to the court in the probate proceedings, praying for the registration of all land belonging to the estate in fee simple, setting forth the facts required to be set forth by sections 5 and 6 of this act together with a description of all the land of which the deceased died seized which is sought to be registered.

The court, by reason of its general jurisdiction shall, in probate, have power and jurisdiction to do any and all things necessary to determine the title to the land and all adverse interests therein to the same extent as said court has in independent proceedings under this act. Upon the filing of such petition the court must direct notice of the filing of said petition to issue as provided by this act and the administrator or executor shall publish and serve such notice upon all persons required by this act to be served and in the manner therein specified.

Every decree of final or partial distribution of land sought to be registered, wherein upon the hearing of such petition, after said notice has been given, the court shall find the title to such land to be such as to entitle it to be registered under this act, may direct all such land to be registered in the name of the distributee or distributees in fee simple, which decree shall be authority to the registrar of the county in which any such land is situated to register the same and issue his certificate of registration to such distributee or distributees. If any land sought to be registered in any proceeding under this act lies in any

county other than the county in which said estate is being administered, a certified copy of said petition shall forthwith be filed with the registrar of every county in which any of such land may be situated and such copy, when filed, shall be notice of such application to all persons dealing with said land.

Sec. 47. Any instrument offered for filing with the registrar of any county, seeking to affect registered land, must have noted thereon a statement of the fact that the land sought to be affected is registered land, with the name of the registered owner and with the number or numbers of the certificate or certificates of the last registration thereof. Otherwise none of such instruments shall be filed, nor shall the same affect the title of the or any part of the land sought to be affected, nor will the same impart any notice thereof to the registered owner or to any person dealing with such land.

Sec. 48. A registered owner of land desiring to transfer his whole estate or interest therein, or some distinct part or parcel thereof, or some undivided interest therein, or to grant out of his estate an estate for life, may execute to the intended transferee a deed or instrument of conveyance in any form authorized by law for that purpose. And upon filing such deed or other instrument in the registrar's office, and surrendering to the registrar the duplicate certificate of title, the transfer shall be complete and the title so transferred shall vest in the transferee; thereupon, the registrar shall issue in duplicate and register, as hereinbefore provided, a new certificate, certifying the title to the estate or interest in the land desired to be conveyed to be in the transferee, and shall note upon the original and duplicate certificates the date of the transfer, the name of the transferee, and the volume and folium in which the new certificate is registered, and shall stamp across the original and surrendered duplicate certificate the word "canceled," in whole or in part, as the case may be.

Sec. 49. When only a part of the land described in a certificate is transferred, a new certificate shall be issued to the grantee for the part transferred to him and another one shall be issued to the grantor for the part remaining in him; provided, however, that if the land consists of a tract divided into subdivisions designated by numbers or letters on a plat of said subdivision, filed with the recorder, duly verified as required by law, on which plat so filed the measurements of all boundaries of each subdivision appear, the registrar may, upon request of the grantor, make a new certificate to the grantee of one or more of such subdivisions and instead of issuing a new certificate for the remainder to the grantor, may enter upon the original certificate and upon the owner's duplicate, a memorandum of such transfer, in red ink, setting forth the fact that the particular subdivision, describing it by numbers or letters as the same is described in said plat, has been granted and that such certificate is cancelled as to such subdivision. Every certificate with such memorandum endorsed thereon shall be as effectual for the purpose of showing the grantor's title to the remainder of the land not conveyed as if the old certificate had been cancelled and a new one for the remainder issued; such process may be repeated as long as there is convenient space upon the original certificate and the owner's duplicate thereof for making such memoranda of transfers of subdivisions.

Sec. 50. The registrar shall mark as filed every deed, mortgage, lease, and other instrument which may be filed in his office, in the order of its receipt, and shall note thereon at the date of filing the minute, hour, day, and year it is received. When the date of filing any instrument is required to be entered upon the register, it shall be the same as that indorsed upon such instrument.

Sec. 51. All instruments, notices, and papers required or permitted by this act to be filed in the office of the registrar, shall be retained and kept in such office, and shall not be taken therefrom except by a subpoena duces tecum issued to and served upon the registrar by a court of record. But the registrar, on demand, the proper fee being tendered therefor, shall deliver to any person a copy or copies of such an instrument, with all memoranda, memorials, and indorsements thereon, duly certified under his hand and seal of office. The registrar shall, however, upon all such copies, indorse thereon in writing across the face thereof, in red ink, "copy, no rights conveyed hereby."

Sec. 52. Every copy of original instruments so certified as provided for in the last preceding section, shall be received in all cases in place of the original, and as evidence have the same force and effect as the original instrument.

Sec. 53. Like forms of deeds, mortgages, leases, and other

instruments as are now or may hereafter be sufficient in law for the purpose intended, may be used in dealing with registered land and any estate or interest therein. Such instrument shall give the number of the certificate of title of the land described therein. But an indorsement, duly acknowledged, on the duplicate certificate of title, substantially in the following form, viz.: "I, _____, grant to _____ the real property described in this certificate. Witness _____ hand _____ and seal _____ this _____ day of _____," shall be sufficient to transfer the property in said certificate described.

Sec. 54. Every deed or other voluntary instrument which is presented for registration including the endorsement of a certificate of title, shall contain or have endorsed upon it the full name, residence and postoffice address of the grantee or other person who acquires or claims an interest under such instrument. Any change in the residence or postoffice address of such person shall be endorsed by the registrar upon the original instrument, upon receiving a written statement of such change, duly acknowledged. Notices and processes issued in relation to registered land after original registration, may be served upon any person in interest by mailing them to the address so given, and shall be binding, whether he resides within or without the state. The certificate of the clerk that he has served such notice shall be conclusive proof of such service; but the court may, in any case, order different or further service, by publication or otherwise.

Sec. 55. A deed, mortgage, lease, or other instrument purporting to convey, transfer, mortgage, lease, charge, or otherwise deal with registered land, or any estate or interest therein, or charge upon the same, other than a will or a lease not exceeding one year where the land is in the actual possession of the lessee or his assigns, shall take effect only by way of contract between the parties thereto, and as authority to the registrar to register the transfer, mortgage, lease, charge, or other dealing upon compliance with the terms of this act. On the filing of such instrument, the land, estate, interest, or charge shall become transferred, mortgaged, leased, charged, or dealt with according to the purport and terms of the deed, mortgage, lease, or other instrument. The registrar shall immediately, upon the filing of such instrument, stamp or write upon the original and duplicate certificates of title the word "transferred," "mortgaged," "leased," or otherwise, as the case may require, on the date of filing such instrument and sign such endorsement.

Sec. 56. No transfer of title to land or any estate or interest therein shall be registered if the last original certificate shows that the land in such certificate described, or any part thereof, has been sold for any tax or assessment, unless such transfer is intended to be subject to such tax sale, in which case it shall be so stated in the certificate issued upon such transfer and no transfer of any homestead which has not been theretofore released or extinguished of record shall be made unless both spouses join therein.

Sec. 57. Community property registered under this act as such cannot be transferred, mortgaged, encumbered or otherwise disposed of by the registered owner thereof without the written consent of both spouses.

Sec. 58. The transferee shall furnish the registrar with an affidavit stating whether the transferee (except when the latter is a corporation, executor, administrator, or assignee) is married or not married, and if married, the name of the husband or wife, and whether or not the property is community property, and the fact shall be recorded on the certificate of title by the registrar before the transfer is made on the register. If the transferee be an executor or administrator, the certificate shall give the name of the deceased testator or intestate, and if the transferee be an assignee or trustee, the name of the insolvent or bankrupt.

Sec. 59. Every mortgage, lease, contract to sell, or other instrument intended to create a lien, incumbrance, or charge upon registered land, or any interest therein, shall be a charge thereon immediately upon registration thereof.

Sec. 60. On the filing of an instrument intended to create a charge in the registrar's office and upon the production of the duplicate certificate of title, whenever it appears from the original certificate of title that the person intending to create the charge has the title and right to create such charge and the person in whose favor the same is sought to be created is entitled by the terms of this act to have the same registered, the registrar shall enter upon the original and duplicate certificates a memorial of the purport thereof, and the date of filing the instrument, with a reference thereto by its file number, which

Memorial shall be signed by the registrar. The registrar shall also note upon the instrument on file the number of the certificate of title where the memorial is entered. No new certificate of title shall be entered and no memorandum shall be made upon certificate of title by the registrar in pursuance of any other voluntary instrument, unless the owner's duplicate certificate of title is presented with such instrument, except in cases expressly provided for in this act, or upon the order of the court, for cause shown, and whenever such order is made, a memorial thereof shall be entered upon the new certificate of title and on the owner's duplicate. The production of the owner's duplicate certificate, whenever a voluntary instrument is presented for registration, shall be conclusive authority from the registered owner to the registrar to issue a new certificate or to make a memorial in accordance with such instrument and the new certificate or the memorial shall be binding upon the registered owner and upon all persons claiming under him in favor of every purchaser for value in good faith.

Sec. 61. When any mortgage, lease, or other instrument creating or dealing with a charge upon registered land, or any estate or interest therein, is in duplicate, triplicate, or more parts, only one of the parts need be filed and kept in the registrar's office; but the registrar shall note upon the register whether the same is in duplicate, triplicate, or as the case may be, and shall also mark upon the others "mortgagee's duplicate," "lessor's duplicate," "lessee's duplicate," or as the case may be, and note upon the same the date of filing and the volume and folium of the register where the memorial is entered, and deliver them to the parties entitled thereto.

Sec. 62. When an instrument is not executed in a sufficient number of parts for the convenience of the parties, the registrar may make and deliver to each of the parties entitled thereto certified copies of the instrument filed in his office, with the indorsements thereon, marking the same "mortgagee's certified copy," "lessor's certified copy," or as the case may be, and shall note upon the register the fact of issuing such copies. Such certified copies shall have the same force and effect and be treated as duplicates.

Sec. 63. The holder of any charge upon registered land, wishing to transfer the same or any part thereof, may execute assignment of the whole or any part thereof. The assignment of a part only must state whether the part transferred is to be given priority, to be deferred, or to rank equally, with the remaining part. Upon such assignment being filed in the office of the registrar, and the production of the duplicate or certified copy of the instrument creating the charge held by the assignor, the registrar shall enter in the register opposite the charge a memorial of such transfer, and how it ranks, with a reference to the assignment by its file number; he shall also note upon the instrument on file in his office intended to be transferred, and upon the duplicate or certified copy thereof produced, the volume and folium where the memorial is entered, with the date of the entry. The transferee shall be entitled to have a certified copy of the instrument of transfer, with the indorsement thereon, and in case of the transfer of the entire charge, the duplicate or certified copy of the instrument creating the charge.

Sec. 64. A release, discharge, or surrender of a charge, or any part thereof, or of any part of the land charged, may be effected in the same way as above provided in the case of a transfer. In case only a part of the charge or of the land is intended to be released, discharged, or surrendered, the entry shall be made accordingly; but when the whole is released, discharged, or surrendered at the same or several times, the registrar shall stamp across the instrument on file, and the memorial thereof, and the duplicate or certified copy produced, the word "canceled."

Sec. 65. All charges upon registered land, or any estate or interest in the same, may be enforced as now or hereafter allowed by law, and all laws with reference to the foreclosure and release or satisfaction of mortgages shall apply to mortgages upon registered land, or any estate or interest therein, except as herein otherwise provided, and except that until notice of the pendency of any suit to enforce or foreclose such charge is filed in the registrar's office, and a memorial thereof entered on the register, the pendency of such suit shall not be binding upon the registrar, or any person dealing with the land.

Sec. 66. Before any person can convey, charge, or otherwise deal with registered land, or any estate or interest therein, as attorney in fact for another, the deed or instrument em-

powering him so to act shall be filed with the registrar, and a memorial thereof entered upon the original duplicate certificates. If the attorney shall so desire, the registrar shall deliver to him a certified copy of the power of attorney, with the indorsements thereon. Revocation of a power may be registered in like manner.

Sec. 67. Whenever a deed or other instrument is filed in the registrar's office for the purpose of effecting a transfer of, or charge upon, registered lands, or any estate or interest therein, and it appears from such instrument that the transfer or charge is to be in trust, or upon any condition or limitation therein expressed, the registrar shall note in the certificate, and the duplicate thereof, or memorial, the words "in trust," or "upon condition," or "with limitations," as the case may be, but no entry need be made of the particulars of any such trust, conditions, or limitations.

Sec. 68. The trustee or transferee in any such instrument named, if the instrument contains the words "with power of sale," shall have power to deal with the land as the owner thereof; and a bona fide purchaser, mortgagee, or lessee is not bound to inquire into or determine whether or not the acts of such trustee are in accordance with the terms and conditions of the trust. When such power is conferred, the registrar shall note upon the certificate and duplicate thereof the words "with power of sale."

Sec. 69. If, however, such instrument does not contain the words "with power of sale," such trustee shall have no power to sell or otherwise deal with the land without an order of court so to do, duly given and made, a certified copy of which said order shall be filed with the registrar, and a memorial thereof entered upon the certificate of title, which shall be conclusive evidence as against all persons that the authority of such trustee was duly exercised in accordance with the true intent and meaning of the trust, condition, or limitation.

Sec. 70. A trustee under any will admitted to probate, unless such power shall have been expressly withheld by the terms of such will, shall have power to deal with any registered land held by him in trust as fully in every respect as if such lands belonged to him individually.

Sec. 71. The distribution, transfer, leasing, mortgaging, or other change in the status of the title of registered land that is within the jurisdiction of any court by reason of the pendency of probate, insolvency, or equity proceedings, shall be made under the same conditions and limitations as now or hereafter provided by the law of this state.

Sec. 72. The court in its order or decree making such distribution, transfer, leasing, mortgaging, or other change in the status of the title of registered land, shall direct the registrar to issue a certificate of title, or to note a memorial of the transaction, as the case may require, in accordance with such order or decree.

Sec. 73. The executor, administrator, assignee, receiver, or other person acting under the direction of said court, shall file with the registrar a certified copy of such order or decree, also the deed, lease, mortgage, or other instrument executed in accordance with such order or decree, and also a certified copy of the order or decree confirming such sale, lease, mortgage, or other transaction, when such confirmation is required by law.

Sec. 74. Executors, administrators, trustees in bankruptcy, and assignees in insolvency shall have no power of sale of lands registered in their names as such, without an order of court obtained for that purpose. Before any certificate can be issued to the purchaser, such sales shall be reported for confirmation to the court under whose authority such executor, administrator, or assignee is acting, and if confirmed a duly certified copy of the order of confirmation shall be filed in the office of the registrar, and a memorial thereof entered upon the certificate of title. Upon the filing of the certified copy of such order of confirmation and the entry of such memorial, the registrar shall issue a certificate to the purchaser at such sale, which certificate, in addition to the usual contents thereof, shall refer to the said order of confirmation. Such order of confirmation shall be conclusive evidence that the sale was in all respects conducted in accordance with law, and the purchaser shall not be bound to inquire into the regularity of the proceeding, or power to make such sale.

Sec. 75. If a testator, by his will, has provided that the executor thereof shall have a power of sale of real estate, the

court shall direct the registrar to register the words "with power of sale," in respect of the land of the deceased, and such executor shall have power to sell such land without an order of court so to do, but such sales must be confirmed by the court in the manner now or hereafter provided by the law of this state, and a duly certified copy of the order of such confirmation shall be filed with the registrar before any certificate of title can be issued to the purchaser of such land.

Sec. 76. Thereupon the registrar shall issue the certificate of title, or note the memorial, as the case may require; and such certificate of title or memorial noted shall be conclusive evidence in favor of all persons thereafter depending thereon.

Sec. 77. A purchaser of registered land sold for any tax or assessment, shall, within five days after such purchase, file in the office of the registrar a written notice of such purchase. And thereupon the registrar shall enter a memorial thereof upon the certificate of title, and shall mail to each person named in the certificate, and in the memorials thereon, a copy of said notice, a sufficient number of said copies to be furnished to the registrar by said purchaser at the time of filing said notice. In case the state or a municipal corporation becomes the purchaser of land sold for any tax or assessment, the tax collector or other officer attending to such purchase, shall, within five days thereafter, file with the registrar a notice to that effect. And thereupon the registrar shall enter a memorial thereof upon the register, and shall mail notices to interested parties, as in the case of an individual purchaser. Unless such notice is filed as herein provided, the land shall be forever released from the effect of such sale, and no deed shall be issued in pursuance thereof.

Sec. 78. A tax deed of registered land, or of any estate or interest therein, issued in pursuance of any sale for a tax or assessment made after the taking effect of this act, may be presented by the holder thereof to the registrar, who shall thereupon enter upon the register a memorial of such deed; but such deed, unless the same shall have been issued to the state, shall have only the effect of an agreement for the transfer of the title, and before any certificate of title shall be issued for the land described in such deed, the holder thereof must file with the clerk of the superior court an application for a decree showing the title to said land to be vested in him.

Sec. 79. All persons appearing upon the register to be interested in said land, and also the person who appears by the tax collector's books to have paid the tax or assessment last paid before the sale on which the deed is issued, shall be notified; and any person claiming an interest in the land may, upon the hearing of such application, show, as cause why a certificate of title should not issue to the holder of said deed, any fact that might be shown in law or in equity on his behalf to set aside such tax deed, and the applicant shall be required to show affirmatively that all the requirements of the statute to entitle him to a deed have been complied with.

Sec. 80. Such application shall be heard by the court, which shall render a decree showing the condition of the title to such land, and who is the owner thereof, and upon presentation to him, of a duly certified copy of such decree, the registrar shall issue a certificate for said land in accordance with the terms and conditions of said decree.

Sec. 81. In case a tax deed of registered land is issued to the state or any municipal corporation, in pursuance of any sale for a tax assessment made after the taking effect of this act, the registrar shall, upon the filing of such deed in his office, cancel the certificate for the land in said deed described, and issue a new certificate to the purchaser.

Sec. 82. The notice required by section seventy-nine shall be served upon persons interested in the manner provided in this act for the service of notices of applications for original registrations. Proof of such service and publication must be made in the manner now or hereafter required by the laws of this state.

Sec. 83. Upon presentation to him of a certificate of redemption from any tax sale, the registrar shall cancel the memorial of said sale upon the certificate of title.

Sec. 84. In proceedings for partition of registered land, proof must be made that all persons, shown by the register of title to be interested in the land, have been made parties to such proceeding.

Sec. 85. On confirmation of the report of the commissioners setting off registered lands in proceedings for partition, it shall be the duty of the parties to whom the lands are allotted, to

cause a certified copy of the judgment or decree to be filed with the registrar. Thereupon the registrar shall transfer the same upon the register, and issue certificates of title to the persons entitled thereto, as shown by said decree.

Sec. 86. Whenever, in proceedings for partition of registered land, the court shall order a sale of such land, and the same is sold under such order, the purchaser shall file with the registrar a certified copy of the order confirming said sale, together with certificate of the officer making the sale, that the terms of the sale have been complied with. Thereupon, the registrar shall transfer said land upon the register, and issue a certificate of title to the purchaser thereof.

Sec. 87. When a tenant in common has given any mortgage, or granted any other lien or interest upon his undivided interest, and the same is set off in severalty in proceedings in partition, such mortgage, lien, or other interest shall attach only to the lands so set off, and the registrar shall note the same upon a new register of title, and a new certificate of title, and shall indorse a memorandum of the partition upon the instrument creating such lien, mortgage, or other interest, if the same be on file in his office, before a new certificate of title shall be issued therefor.

Sec. 88. Whenever registered land shall be sold to satisfy any judgment, decree, or order of court, the purchaser shall file with the registrar a duly certified copy of the order of sale, or of the order confirming such sale, when the same needs to be confirmed by the court, and also the certificate, if any, of the officer, that the terms of sale have been complied with, and thereupon the registrar shall transfer the land to him, and issue a new certificate of title therefor to said purchaser.

Sec. 89. No suit, bill, or proceeding at law or in equity for any purpose whatever, affecting registered land, or any estate, or interest therein, or any charge upon the same, shall be deemed to be lis pendens or notice to any person dealing with the same until notice of the pendency of such suit, bill, or proceeding shall be filed with the registrar and a memorial thereof entered by him upon the register of the last certificate of the title to be affected; provided, however, this section shall not apply to attachment proceedings when the officer making the levy shall file his certificate as hereinafter provided.

Sec. 90. When any suit, bill, or proceeding affecting registered lands has been dismissed or otherwise disposed of, or any judgment, decree, or order has been satisfied, released, reversed, or modified, or any levy of execution, attachment, or other process has been released, discharged, or otherwise disposed of, it shall be the duty of the sheriff, or the clerk of the court in which such proceedings were pending, or had, as the case may be, forthwith, under his hand, and, if the clerk, under the seal of the court, to certify to and file with the registrar, an instrument showing such discharge or release. Upon the same being filed, the registrar shall enter a memorial of such discharge on the register. The costs of such certificate and memorial shall be taxed as other costs in the case.

Sec. 91. No judgment, or decree, or order of any court shall be a lien on or in any wise affect registered land, or any estate or interest therein, until a certified copy of such judgment, decree, or order, under the hand and official seal of the clerk of the court in which the same is of record, is filed in the office of the registrar, and a memorial of the same is entered upon the register of the last certificate of the title to be affected.

Sec. 92. Whenever registered land is levied upon by virtue of any writ of attachment, execution, or other process, it shall be the duty of the officer making such levy forthwith to file with the registrar a certificate of the fact of such levy, a memorial of which shall be entered upon the register; and no lien shall arise by reason of such levy until the filing of such certificate and the entry in the register of such memorial, any notice thereof, actual or constructive, to the contrary notwithstanding.

Sec. 93. Notice of liens under the provisions of the mechanics' lien laws of this state shall be filed in the registrar's office, and a memorial thereof entered by him upon the register, as in the case of other charges, and such liens may be enforced as now or hereafter allowed by law. Until such notice is so filed and registered, no lien shall be deemed to have been created.

Sec. 94. When in a city, town, or county, an ordinance, resolution, or order is passed or made, to lay out, establish, alter, widen, grade, regrade, relocate, or construct or repair a

street, sidewalk, drain, or sewer, or to make any other public improvement, or to do any work, the whole or a portion of the expense for which assessments may be made upon real estate,

any registered land or any land included in an application for registration then pending is affected by the act or proceeding, and liable to such assessment, the clerk of the board passing such ordinance, resolution, or order must, within five days after the passage of such ordinance, resolution, or order, file in the registrar's office a notice of the passage thereof, and a memorial must thereupon be noted on the register. In case of the repeal of such ordinance, resolution, or order, the clerk of said board, and in case of the satisfaction of any lien thereunder, the superintendent of streets or other officer required by law to collect and receive such assessments, must within five days thereafter, notify the registrar, in writing, who shall thereupon cancel such memorial.

Sec. 95. No statutory or other lien shall be deemed to affect the title to registered land until after a memorial thereof is entered upon the register, as herein provided.

Sec. 96. The filing in the registrar's office of a certificate of the clerk of the court in which any suit, bill, or proceeding shall have been pending, or any judgment or decree is of record, that such suit, bill or proceeding has been dismissed or otherwise disposed of, or the judgment, decree, or order has been satisfied, released, reversed, or overruled, or of any sheriff or other officer that the levy of any execution, attachment, or other process certified by him has been released, discharged, or otherwise disposed of, shall be sufficient to authorize the registrar to cancel or otherwise treat the memorial of such suit, bill, proceeding, judgment, decree, or levy, according to the purport of such certificate.

Sec. 97. After a title has been registered and a certificate issued therefor, or after a memorandum, notation, or memorial has been made on the register of title and has been attested, no correction, alteration, or erasure shall be made therein or thereof, except in the manner herein provided.

Sec. 98. A registered owner or other person in interest or the registrar, may at any time apply by petition to the court, upon the ground that registered interests of any description, whether vested, contingent, expectant or inchoate, have terminated and ceased or that new interests have arisen or been created which do not appear upon the certificates or that there is an error or omission in any certificate or memorial, or that any certificate or memorial has been made, entered, indorsed, issued, or canceled by mistake, or that the name of any person on the certificate has been changed by divorce, adoption, or other than by marriage as provided for in section 28 of this act, or that an owner, registered as married, has ceased to be such, or that a corporation which owned registered land has been dissolved and has not legally conveyed the same after its dissolution, or upon any other reasonable ground, for an order correcting or altering any certificate to comply with the true facts as shown by the petition and proof adduced and the court shall have jurisdiction to hear and determine the petition after notice to all parties in interest. The court shall issue an order summoning all persons registered as interested in the lands to which such certificate or memorial relates, to appear at an appointed time and place and produce their duplicate certificates and show cause why such omissions, or mistake, or change, or alteration, should not be corrected or made. The registrar shall, upon receiving notice of such petition, enter a memorial of such application upon the certificate of title affected. If at the time and place appointed all such persons appear and consent, the court may order the entry of a new certificate, the entry or cancellation of a memorandum upon a certificate, or grant any other relief upon such terms, requiring security if necessary, as it may consider proper. If such persons, or any of them, fail to appear or do not consent, the court may proceed to hear testimony and if it appears to the satisfaction of the court that the relief as petitioned for should be granted, it shall order and direct the registrar to make such corrections or modifications on such certificates or memorials as may be necessary. A certified copy of such order of the court shall be filed in the registrar's office before any such corrections or modifications shall be entered or made. When

action has been caused by the fault or neglect of the registrar, the costs of such proceedings shall be paid by the county out of the fees collected by the registrar under the provisions of this act that go into the county treasury; if by the fault of the person registered as interested in such land, by

such person. The provisions of this section shall not give the court authority to open the original decree of registration and nothing shall be done or ordered by the court which shall impair the title or other interest of a purchaser who holds a certificate for value and in good faith, or his heirs or assigns without his or their written consent.

Sec. 99. When the registrar is in doubt or when the parties in interest fail to agree as to the proper memorial to be made in respect of any deed, mortgage or other voluntary instrument presented for registration, the question shall be referred to the court for decision, either on the certificate of the registrar stating the question, or upon the suggestion in writing of any party or parties in interest; and the court, after due notice to all parties in interest and a hearing, if necessary or proper, shall enter an order prescribing the form of the memorial to be made by the registrar, who shall make the memorial accordingly.

Sec. 100. For services performed under the provisions of this act, there shall be paid to the registrar the following fees:

Subdivision 1. For filing decree directing land to be brought under the operation of this act, including original registration and issuing original certificate of title and duplicate and the filing of all instruments connected therewith, for each separate parcel of land affected, one dollar. For each subsequent registration and issuing of certificate of title, including one duplicate and the filing of all instruments connected therewith, for each separate parcel of land affected, one dollar. For filing certified copy of any petition filed in the superior court of another county in probate proceedings or any notice of any action in another county wherein registration of land is asked for, one dollar. For the entry of each memorial on the register, including the filing of all instruments and papers connected therewith and the endorsement upon the duplicate certificate, for each separate parcel of land affected, fifty cents. For filing copy of will with letters testamentary or filing copy of letters of administration with or without will annexed and entering memorial thereof, one dollar. For the cancellation of each memorial or charge, appearing on one certificate, twenty-five cents. For each certificate showing the condition of the title to all land appearing on one certificate, three dollars. For filing any instrument or furnishing a certified copy of any instrument or writing on file not herein specially provided for, the same fees which are allowed by law to recorders for like services.

Subdivision 2. In addition to the fees provided in subdivision 1, for services performed by the registrar there shall be paid to him the following fees: Upon the original registration of any land, a sum equivalent to one tenth of one per cent of the assessed value of the land including permanent improvements thereon as the same were valued for county taxation the last time said land and permanent improvements or either thereof were assessed for county taxes next preceding the filing of the petition.

Subdivision 3. All the fees collected by the registrar under the provisions of subdivision 1 of this section shall be accounted for, paid, disbursed and disposed of by him in the manner that fees collected by him as county recorder are now or may hereafter be by law accounted for, paid, disbursed and disposed of. All fees collected under the provisions of subdivision 2 of this section shall be paid by the registrar, between the first and fifth days of the month following receipt thereof, to the treasurer of the state, to be by him accumulated as and for an assurance fund. Should there be a surplus in any year derived from fees hereunder other than those provided to be paid to the state treasurer for an assurance fund, such surplus shall be carried into the general fund and be subject to appropriation for any purpose. In case such fees shall not amount to the sum required for the administration of this act, the deficiency shall be paid from any funds in the county treasury, not otherwise appropriated. All books, blanks, papers and other things necessary, including clerks for the purpose of carrying out the provisions of this act, shall be furnished by the board of supervisors at the expense of the county.

Sec. 101. Nothing in this act shall be construed to in any wise affect or modify the exercise of the right of eminent domain. When any suit or proceeding shall have been brought in the exercise of such right for the taking of registered land, or any interest therein, or to test the validity of any such taking, or to ascertain and establish the amount of damage

by reason of any such taking, it shall be the duty of both parties to the proceeding to see that a certified copy of the judgment or decree therein is duly filed and a memorial thereof entered upon the register; but in the case of an assessment of damages, no such memorial shall be entered by the registrar until such damages have been paid, in which event the register shall also show the payment of such damages; provided, however, that the deposit with the treasurer, as allowed by law, of such damages, shall be deemed a payment thereof, and in such case the treasurer shall forthwith file with the registrar a certificate of such deposit, and thereupon a memorial thereof shall be entered upon the register. Upon the filing of the certified copy of the order or decree of the court and the payment of damages, the registrar shall note on the register of title of the owners whose lands have been appropriated, a description of the land so appropriated, and shall register in the name of the person, corporation, or other body entitled thereto, the title of the land taken, and issue a certificate therefor.

Sec. 102. The registrar shall keep property indices, the pages of which shall be divided into columns, showing, first, the section or subdivision; second, the range or block; third, the township or lot; fourth, any further description necessary to identify the land; fifth, the name of the registered owner; sixth, the volume; and seventh, the page of the register in which the lands are registered.

Sec. 103. He shall also keep name indices, the pages of which shall be divided into columns, showing in alphabetical order, first, the names of all registered owners and all other persons interested in or holding charges upon registered land; second, the nature of the interest; third, a brief description of the land; fourth, the volume; and fifth, the page of the register in which the lands are registered.

Sec. 104. An owner of an undivided interest in registered lands may bring an action for the partition thereof. A notice of such action shall, at the time of the commencement thereof, be filed with the registrar and a memorial entered by him upon the register. A certified copy of any judgment or decree rendered in pursuance of such action shall be filed with the registrar, who shall thereupon issue new certificates in accordance therewith.

Sec. 105. Subdivision 1. The state treasurer shall keep all sums paid to him by the registrars under the provisions hereof in a separate fund to be known as the "Torrens title assurance fund," and shall keep the same invested and reinvested in bonds of the United States or of the State of California or of any county or municipality thereof, the income derived from said investment to be, as the same is received, added to said fund. Said treasurer shall render to the governor, at least once in each fiscal year, a full and detailed report, showing all receipts, disbursements and investments on account of such fund.

Subdivision 2. Any person who, without fraud or negligence on his part, is deprived of any interest or estate in land through the operation of any provision of this act or by reason of the fraud, forgery, negligence, omission, mistake or misfeasance of any person, and who is precluded from recovering such interest or estate, may commence an action in the superior court of the county in which the land or a part thereof is situated, to recover not over the fair market value of the interest or estate of which he has been so deprived. If such deprivation has been caused solely by reason of any act of any registrar or deputy registrar in the performance of official duty as such, the state treasurer, in his official capacity, shall be the sole defendant. If such deprivation has been caused either wholly or in part by any person or persons other than such registrar or deputy registrar, while acting in the official performance of duty as such, such person or persons shall be joined as defendants with said state treasurer. In any such action said court shall have jurisdiction, after due service of summons, as provided in ordinary actions in said court, to determine the reason of such deprivation and to render judgment therein accordingly, either against said state treasurer alone or against him and all or any of the other defendants. In any action where there are defendants other than said state treasurer against whom judgment has been rendered, execution shall first issue against such other defendants and upon the return of such execution unsatisfied, either in whole or in part and upon it appearing to the satisfaction of the court that said execution cannot be satisfied out of the property belonging

to such judgment creditors other than said state treasurer, or where judgment is had against said state treasurer alone, said court shall make its order directing the payment of the amount due out of the assurance fund, and such order shall constitute the warrant for the payment of the same, and the state treasurer shall thereupon audit and certify the amount of a claim in the same manner as other claims against the state are audited, and the state treasurer shall thereupon pay the amount of said claim out of the assurance fund without any other act or resolve making an appropriation therefor. If the assurance fund is at any time insufficient to pay the amount of any judgment in full, so much thereof as can be paid out of such fund shall be paid, and the unpaid balance shall bear interest at the legal rate and shall be paid out of the first moneys coming into such assurance fund. The attorney general shall defend the state treasurer in all actions brought under the provisions hereof; if the person who is deprived of land or of any estate or interest therein in the manner above stated, has a right of action or other remedy for the recovery thereof, he shall exhaust such remedy before resorting to the action herein provided. The provisions of this section shall not deprive the plaintiff of any action in tort which he may have against any person for loss or damage or deprivation of land, or any estate or interest therein, but if such plaintiff elects to pursue his remedy in tort and also brings an action under the provisions of this section, the action against said state treasurer shall be held in abeyance to await the final result of such action in tort; in every case in which payment has been made by the state treasurer under the provisions of this section, the state shall be subrogated to all the rights of the plaintiff against any other parties or securities, and the state treasurer shall enforce the same in behalf of the state. Any amounts recovered by reason of such subrogation shall be paid into the state treasury to the account of the Torrens title assurance fund, after deducting therefrom the proper expenses in recovering the same.

Subdivision 3. The assurance fund shall not be liable to pay for any loss, damage or deprivation occasioned solely by a breach of trust on the part of any registered owner who is trustee, or by the improper exercise of any power of sale or mortgage, nor shall any plaintiff recover as compensation under the provisions of this act more than the fair market value of the land or of the estate or interest held by him at the time when he suffered the damage, loss or deprivation complained of. Actions for compensation out of the assurance fund under the provisions of this act shall be commenced within four years from the time when the right of action accrued or they shall be forever barred; provided, that if at the time the right of action accrued, the person entitled to bring such action is a minor, or insane, or imprisoned, such person or any one claiming under him may commence such action within two years after the removal of such disability.

Sec. 106. In the case of fraud, any person defrauded shall have all rights and remedies that he would have had if the lands were not under the provisions of this act; provided, that nothing contained in this section shall affect the title of a registered owner who has taken bona fide for a valuable consideration, or of any person bona fide claiming through or under him.

Sec. 107. In case of an appeal from any proceeding under this act, or from any judgment, order, or decree affecting registered lands, the clerk of the court in which the notice of appeal is filed shall forthwith notify the registrar thereof, and thereupon the registrar shall enter upon the register a memorial of such appeal.

Sec. 108. The county recorders or registrars in the several counties shall have and they are hereby granted the power to appoint, whenever the business in their respective offices under this act shall, in their opinion, justify the same, one or more deputies, each of whom shall be an attorney admitted to practice before the supreme court of the State of California for at least five years prior to his appointment, in good standing, skilled in the examination of titles and in proceedings under this act. The compensation of such attorneys shall be such as may be agreed upon between them and the registrar subject to the approval of the board of supervisors of the county and shall be paid in the same manner that the salaries of other deputies are paid. Such attorneys, so appointed, shall be competent to act as referees when appointed by the court in proceedings under this act. It shall be the duty of said attorneys to

assist the registrar in all matters in and arising out of proceedings under this act.

Sec. 109. The owner of registered land may plat the same and subdivide it into lots and blocks in like manner as in case of unregistered land. All laws with reference to the subdivision and platting of unregistered land shall apply with like force and effect to registered land. Owners of subdivisions transferring lots which are subject to building or other restrictions, may, at their own expense, furnish the registrar with printed forms of certificates of title for use by the registrar. Such printed forms must conform to the adopted size, quality of paper, workmanship and form and must first be submitted to the registrar for his approval; provided, however, the registrar shall have no authority over what restrictions shall be included.

Sec. 110. It shall be the duty of the registrar to require that all documents offered for filing concerning registered land, shall be made out with a view to permanency. The registrar may refuse to accept any document for filing which in his judgment is wholly or partly written, made out, or filled in with inferior ink or faded typewriter ribbon and likely to fade rapidly and may require such documents to be redrawn in India or indelible ink to insure permanency. Registrars must in every instance in making out new certificates of title, memorials or entries of any kind in connection with registered land, use India ink for handwriting and indelible ink for typewriter or rubber stamps.

Sec. 111. Whoever fraudulently procures, assists in fraudulently procuring, or is privy to the fraudulent procurement of any certificates of title or other instrument, or of any entry in the register or other book kept in the registrar's office, or of any erasure or alteration in any entry in any said book, or in any instrument authorized by this act, or knowingly defrauds or is privy to defrauding any person by means of a false or fraudulent instrument, certificate, statement, or affidavit affecting registered lands, shall be guilty of a felony, and fined not exceeding five thousand dollars, or be imprisoned not exceeding five years nor less than one year, or either or both such fine and imprisonment.

Sec. 112. Whoever (1) forges, or procures to be forged, or assists in forging the seal of the registrar, or the name, signature, or handwriting of any officer of the registry office in cases where such officer is expressly or impliedly authorized to affix his signature; or (2) fraudulently stamps, or procures to be stamped, or assists in stamping any document with any forged seal of said registrar; or (3) forges, or procures to be forged, or assists in forging the name, signature, or handwriting of any person known or to any instrument which is expressly or impliedly authorized to be signed by such person; or (4) uses any document upon which any impression, or part of the impression, of any seal of said registrar has been forged, knowing the same to have been forged, or any document, the signature to which has been forged, knowing the same to have been forged; or (5) swears falsely concerning any matter or procedure made and done in pursuance of this act, shall be guilty of a felony and fined not exceeding five thousand dollars or be imprisoned not exceeding ten years nor less than one year, or either or both such fine and imprisonment.

Sec. 113. No proceeding or conviction for any act hereby declared to be a felony shall affect any remedy which any person aggrieved or injured by such act may be entitled to at law or in equity, against the person who has committed such act, or against his estate, or against the registrar, or upon his bond.

Sec. 114. Registrars shall not make any rules or regulations that work a hardship or inconvenience upon owners or others desiring to avail themselves of the provisions of this act, who live at a distance from the office of the registrar and shall in writing consent to accept notice of all proceedings, of which notice is required, by mail and in such cases registrars shall assist those who desire to use the mails in connection with registered lands in every way possible. Such documents as are sent by mail shall be entirely at the risk of the owner and if lost, the entire expense of replacing same shall be borne by the owner.

Sec. 115. This act shall be construed liberally so far as may be necessary for the purpose of effecting its general intent.

ARGUMENT IN FAVOR OF LAND TITLE LAW.

The Torrens law is a modern system of registering titles to land. It does away with the endless fees of title companies for repeated examinations of title. The entire expense of transfer and registration of title to real estate under the Torrens law will be one dollar.

Under the proposed system, the recorder enters the certificate in a bound volume kept in his office, which names the owner and shows all mortgages, liens, etc. A duplicate certificate

given the owner constitutes, with owner's signature, absolute evidence of title.

To find the real owner or the condition of the title of any piece of property under the Torrens system, it will be necessary to examine only one document—the Torrens certificate. No encumbrance is valid against Torrens property unless noted on the certificate.

When property is sold or mortgaged, the duplicate must be produced and the signature of the owner taken and compared, making fraud almost impossible under the Torrens system.

A state title assurance fund is created, not by taxation, but from fees paid by those using the system, and the state insures the title forever. It substitutes state title insurance for private title insurance.

A transfer of title or a loan can be made in one hour's time, making an escrow in most cases unnecessary. When necessary, it can be placed with a bank or trust company and a note made on the Torrens certificate that such an escrow is being held.

There is special provision in this bill for reducing the initial cost of placing property under the Torrens act.

In Australia there is \$700,000,000 worth of property under the act and the claims against the assurance fund have been less than the one-hundredth part of one per cent of the value. It is also in successful operation in Canada, Massachusetts, Minnesota, Colorado, Chicago, London and many other jurisdictions.

A Torrens title requires a judicial decision when the property is first placed under the act, giving the best foundation for the beginning of the system and reducing losses and fraud to a minimum. If the bill becomes a law, it will make "tax titles" practically unknown, because the owner will be notified when taxes or assessments are due and thus prevent the sale of the property for payment.

The present system furnishes no means by which the real owner of the property may be recognized and the buyer must simply take the risk even though he is investing the earnings of a lifetime. Under the Torrens system there is absolute evidence of ownership.

These amendments were drawn by Walter H. Robinson of San Francisco, an authority on the subject. If approved at the polls the system becomes optional. Those satisfied of its superiority may use it, and those who wish to continue under the present costly, slow and insecure system may do so.

Mrs. WILBUR D. CAMPBELL,
President Torrens Land Law League.

ARGUMENT AGAINST LAND TITLE LAW.

Although, personally, I strongly favor the adoption of a method by which a defective title could be cleared and made incontestable under the provisions for original registration, the particular initiative statute now presented to the people seems to be open to the following important objections:

First—The proposed amendments contain nothing that in any degree removes or corrects the causes that have made our present Torrens law a dead letter. On the contrary, the new law for no apparent reason contains provisions greatly facilitating the registration of state tax titles.

Second—The act provides that the registrar (county recorder) shall only be liable for gross or wilful negligence, neglect or mismanagement. No careful lender would risk losing his mortgage where the liability of the recorder is so slight. No valid reason for inserting such a provision can be conjectured, and its insertion will surely

tend to prevent the general use of the statute if amended.

Third—The statute provides that no evidence of title need be filed where the applicant swears that he has been in actual adverse possession of the land or any part thereof for more than five years. Accordingly a person occupying one parcel could describe as much other land (including his neighbor's lot) as he saw fit, and only by accident would the neighbor know of the proceeding. The court would be deprived of the evidence of title required to be furnished to the court under every other Torrens act in the United States, so that the court may know that all proper parties have been notified.

Fourth—The fees charged are made so low that it is an imposition on the general body of taxpayers. Seemingly as a means merely of making the law popular, the state undertakes to do the work for very much less than its actual cost. While favoring poor people, this would also greatly favor tax title speculators, who would probably be the greatest beneficiaries from the act.

Fifth—The statute contains no provisions for withdrawing the land from registration in case

the proceedings subsequent to the original registration become burdensome or the subsequent title be deemed dangerous and unmarketable because registered. In other words, the proceedings for original registration can not be enjoined without subjecting the title to the provisions regarding registration as to subsequent transfers and incumbrances. And in view of the fact that while original registration is undoubtedly valid, subsequent registration is subject to so much doubt as to its validity, and if valid is accompanied by so many legal proceedings as to make it onerous, the benefit on the whole will be much less than the burden.

Sixth—In view of our complicated laws and many public offices, the purported revision is so superficially done and accomplishes so little as to make it almost useless so far as the general public, other than tax speculators, are concerned. Instead of facilitating the popularity of the Torrens or registration idea it would tend to still further delay the people in enjoying its benefits, for the reason that being so poorly and superficially revised, it is sure to fail in accomplishing any beneficial public purpose.

CHAS. L. BATCHELLER.

LOS ANGELES STATE BUILDING BONDS.

Initiative act providing for the issuance and sale of state bonds in the sum of \$1,250,000 to create a fund for the acquisition of a site in the city of Los Angeles, for the construction thereon of a state building and for equipment thereof to be used by the officers and departments of the state maintaining offices in said city, said bonds to bear interest at four per cent and to mature at different periods until July 2, 1965.

The electors of the State of California present to the secretary of state this initiative petition, asking that the proposed law hereafter set forth be submitted to the electors of the State of California at the next general election for their approval or rejection.

An act to provide for the selection, location, purchase or acquisition of a site for a state building in the city of Los Angeles; to provide for the construction, equipment and furnishing of a state building thereon, and for the improvement of said site; to prescribe the use or occupancy of said building; creating a commission to locate and acquire said site and to construct said building, with power to determine the respective amounts to be paid for said site, for the improvement thereof, for the construction of said building and for furnishing or equipping the same; providing for the issuance and sale of state bonds to be known as "Los Angeles state building bonds," to provide a fund therefor; establishing said fund, appropriating the proceeds thereof for said purpose and directing the manner in which the same shall be expended; creating a sinking fund for the payment of said bonds and interest thereon; making an appropriation therefor, defining the duties of state officers in relation thereto, and providing for the collection of revenue for said purpose; making an appropriation of two thousand five hundred dollars for the expense of preparation of said bonds and providing for the submission of this proposed act directly to the electors as an initiative measure at the next general election.

The people of the State of California do enact as follows:

Section 1. For the purpose of creating and providing a fund for the payment of the indebtedness hereby authorized to be incurred as hereinafter provided, the state treasurer shall, immediately after the taking effect of this act, if the same be approved by a majority of the electors voting thereon, as evidenced by the official declaration by the secretary of state showing the result of the election had thereon, prepare two thousand five hundred suitable

bonds of the State of California in the denomination of five hundred dollars each, to be numbered from one to twenty-five hundred inclusive and to bear date the second day of July, 1915: the total issue of said bonds shall not exceed the sum of one million two hundred fifty thousand dollars and said bonds shall bear interest, at the rate of four per cent per annum from the date of issuance thereof, to be evidenced by coupons attached thereto, as hereinafter provided, and both principal and interest shall be payable in gold coin of the present standard of value at the office of the state treasurer upon the presentation and surrender for cancellation of said bonds and interest coupons, as they respectively become due and payable and at the times and in the manner following, to-wit: The first fifty of said bonds shall be due and payable on the second day of July, 1916, and fifty of said bonds in consecutive numerical order shall be due and payable on the second day of July in each and every year thereafter until and including the second day of July, 1965. The interest accruing on all of said bonds that shall be sold shall be due and payable at the office of the state treasurer on the second day of January and on the second day of July of each and every year after the sale of the same, until the maturity of said bonds, provided that the first payment of interest shall be made on the second day of January, 1916, on so many of said bonds as shall have been theretofore sold. Interest on all bonds issued and sold shall cease on the day of their maturity and the said bonds so issued and sold shall, on the day of their maturity, be paid as herein provided and cancelled by the state treasurer. All bonds remaining unsold shall, at the date of the maturity thereof, be by the state treasurer cancelled and destroyed. A permanent record shall be kept by the state treasurer of the payment and redemption of all such bonds sold and of the destruction of any such unsold bonds. All bonds issued pursuant to the provisions of this act shall be signed by the governor of the state, countersigned by the state controller and

endorsed by the state treasurer and the said bonds shall be so signed, countersigned and endorsed by the officers who are in office on the second day of July, 1915, and each shall have the great seal of the State of California impressed thereon. The said bonds signed, countersigned, endorsed and sealed as herein provided, when sold, shall be and constitute a valid and binding obligation upon the State of California, though the sale thereof or the sale of a portion thereof be made at a date or dates after the persons so signing, countersigning and endorsing or either of them shall have ceased to be incumbents of said office or offices.

Sec. 2. Interest coupons shall be attached to each of said bonds so that said coupons may be detached without injury to or mutilation of said bond. Said coupons shall be consecutively numbered and shall bear the lithographed signature of the state treasurer who shall be in office the second day of July, 1915. All such interest coupons shall, upon payment thereof, be cancelled by the state treasurer. No interest shall be paid on any of said bonds for such time as may intervene between the date of said bond and the day of sale thereof, unless such accrued interest shall have been by the purchaser of said bond paid to the state at the time of such sale.

Sec. 3. The sum of twenty-five hundred dollars or so much thereof as may be necessary, is hereby appropriated out of any moneys in the state treasury, not otherwise appropriated, to pay the expense that may be incurred by the state treasurer in the preparation of said bonds.

Sec. 4. When the bonds authorized to be issued under this act shall have been duly executed, as in section one provided, they shall be sold by the state treasurer to the highest bidder for cash in such parcels and numbers as shall be directed by the governor of the state, but the state treasurer must reject any and all bids for said bonds or for any of them which shall be for an amount below the par value of said bonds so offered for sale plus the interest which has accrued thereon between the date of sale and the last preceding interest maturity date, and he may, by public announcement, at the time and place fixed for the sale, continue such sale, as to the whole of the bonds offered, or any part thereof offered, to such time and place as he may then designate. When a sale is continued as hereinabove provided no notice thereof need be given other than the public announcement of such continuance. Before offering any of said bonds for sale, said treasurer shall detach therefrom and cancel all coupons which have matured or will mature prior to the date fixed for such sale. The state treasurer shall give notice of the time and place fixed for the sale of any of said bonds by publication in one newspaper published in the city and county of San Francisco and in one newspaper published in the city of Los Angeles and in one newspaper published in the city of Sacramento, once a week for four weeks next preceding the date fixed for such sale. In addition to the notice last above provided the state treasurer may give such further notice as he may deem advisable, but the expense and cost of such additional notice shall not exceed five hundred dollars for each sale so advertised. The cost of such publications and notice shall be paid out of any moneys in the state treasury not otherwise appropriated on controller's warrants duly drawn for said purpose. The proceeds of the sale of such bonds, except such amount as may have been paid as accrued interest thereon, shall be forthwith paid by said treasurer into the state treasury and must be by him kept in a separate fund, to be known and designated as "Los Angeles state building fund," which fund is hereby established. The amount that shall have been paid as accrued interest shall be forthwith paid by said treasurer into the state treasury, and must be by him kept in a separate fund to be known and designated as "Los Angeles state building sinking fund," hereinafter provided for.

Sec. 5. The amount placed in the Los Angeles state building fund pursuant to the provisions of section four of this act is hereby appropriated and shall be used exclusively for the following purpose, to-wit:

The selection, purchase or acquisition of a site for a state building in the city of Los Angeles, the improvement thereof and the construction, equipment and furnishing of a state building thereon. A commission is hereby created to consist of the governor of the state, the president of the state railroad commission and the presiding judge of the district court of

appeals in the second appellate district, who shall constitute a commission to locate and acquire said site and to construct said building, with power to determine the respective amounts of said appropriation to be paid for said site, for the improvement thereof, for the construction of said building and for furnishing or equipping the same. Such commission shall receive no compensation for services, but necessary traveling expenses of the members thereof shall be paid out of the moneys herein appropriated. Immediately after the taking effect of this act, said commission shall proceed to select, locate, purchase or acquire a suitable site in said city of Los Angeles for the erection thereon of a state building for the use and occupancy of such officers, departments, boards or commissions of the state as now are or hereafter may be authorized or required by law to maintain offices or departments in said city of Los Angeles. Said commission shall have the power to receive in the name of the State of California gifts or donations of any such site or toward the purchase thereof, together with any and all appurtenances connected therewith. Title to any property so purchased or acquired shall be taken in the name of the State of California. When said commission shall have selected said site and determined the amount to be paid therefor, if the same is to be purchased, such commission shall present a claim therefor to the state board of control and upon the approval thereof the state controller shall draw a warrant for the amount thereof, payable out of the sum hereby appropriated, in favor of the owner or owners of such property selected and agreed to be purchased as herein provided, such warrant or warrants when so drawn to be delivered to such commission and the same shall be used for the purchase of such site, taking a deed therefor to the State of California, said deed to be delivered to the secretary of state of the State of California and to be placed of record in the office of the recorder of the county of Los Angeles and thereafter filed in the office of the secretary of state.

Immediately after the acquisition of such site said commission shall provide for the construction of a state building thereon adequate for said purpose and shall have power to expend the funds available therefor under this act, provided that the plans and specifications for the erection of such building and for the improvement of said ground shall be prepared by the state department of engineering and all work involved in such construction or improvement to be paid for from funds created by this act shall be carried out in accordance with the general law governing the construction and prosecution of all public work for the State of California.

After the purchase or acquisition of said property and its improvement and the construction and furnishing or equipment of the building thereon has been completed as herein provided, the management and control of the same shall vest in the official upon whom said duties are imposed by law and the legislature shall, from time to time, make suitable provision therefor.

Sec. 6. For the payment of the principal and interest of said bonds a sinking fund, to be known and designated as "Los Angeles state building sinking fund" shall be and the same is hereby established and shall be constituted as follows: The state treasurer, on the second day of January and on the second day of July, commencing on the second day in January, 1916 and thereafter on the second day of July and the second day of January of each and every year in which a portion of the bonds sold pursuant to the provisions of this act or any interest thereon shall become due, shall transfer from the general fund of the state treasury to said "Los Angeles state building sinking fund" such an amount of the moneys appropriated by this act as may be required to pay the principal and interest of the bonds so becoming due and payable at each of such respective dates. There is hereby appropriated from the general fund in the state treasury such sum annually as will be necessary to pay the principal of and the interest on the bonds issued and sold pursuant to the provisions of this act as said principal and interest respectively become due and payable. There shall be collected annually in the same manner and at the same time as other state revenue is collected such a sum in addition to the ordinary revenues of the state as shall be required to pay the principal and interest on said bonds as herein provided and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of said revenue to do and

perform each and every act which shall be necessary to collect such additional sum.

Sec. 7. The principal of all of said bonds sold shall be paid at the time the same becomes due from the said "Los Angeles state building sinking fund" and the interest on all of said bonds sold shall be paid from said sinking fund at the time said interest becomes due; and the faith and credit of the State of California are hereby pledged for the payment of the principal of said bonds so sold and the interest accruing thereon.

Sec. 8. The state controller and the state treasurer shall keep full and particular account and record of all of their proceedings under this act, and shall transmit to the governor an abstract of all such proceedings thereunder, with an annual report, to be by the governor laid before the legislature biennially; and all books and papers pertaining to the matter provided for in this act shall at all times be open to the inspection of the governor, the attorney general, a committee of either branch of the legislature, a joint committee of both, any person interested or any citizen of the state.

Sec. 9. This act, if approved and adopted by a majority vote of the electors voting thereon at the general election to be held in November, 1914, shall take effect five days after the date of the official declaration of such vote by the secretary of state as to all its provisions, except those relating to and necessary for its submission to the electors and for returning, canvassing and the issuance of the official declaration of such vote and as to said excepted provisions this act shall take effect in accordance with the provisions of the constitution and laws of the state relative to initiative measures to be submitted directly to the electors.

Sec. 10. This act shall be submitted to the electors of the State of California for adoption or rejection by them at the next general election to be held in the month of November, 1914, and all ballots at said election shall have printed thereon in the manner required by law such ballot title or designation of this act as has been prepared in accordance with law and opposite such designation or proposition to be voted on in separate lines the words "YES" and "NO" shall be printed. If an elector shall stamp a cross (X) in the voting square after the printed word "YES" his vote shall be counted in favor of the adoption of this act; if he shall stamp a cross (X) in the voting square after the printed word "NO" his vote shall be counted against the adoption of this act. The governor of the state shall include the submission of this act to the electors as aforesaid in his proclamation calling said general election.

Sec. 11. The votes cast for or against the adoption of this act shall be counted, returned, canvassed and declared in the same manner and subject to the same rule as those cast for state officers; and if it appear therefrom that this act shall have received a majority of all the votes cast upon the question of its adoption as aforesaid and that a majority of the qualified electors voting thereon approve said act, then the same shall take effect as hereinbefore provided, but if a majority of the votes cast as aforesaid are against the adoption of this act, then the same shall be and remain void. The secretary of state shall in accordance with the provisions of the constitution and law make official declaration of the vote thereon and of the result of said election upon the question of the adoption of this act.

Sec. 12. It shall be the duty of the secretary of state to have this act published in at least one newspaper in each county or city and county, if one be published therein, throughout the state for three months next preceding the general election to be held in the month of November, 1914; the cost of publication shall be paid out of the general fund on controller's warrants duly drawn for that purpose.

Sec. 13. This act shall be known and may be cited as "Los Angeles state building act" and shall be irrevocable until the principal and interest of the liabilities herein created shall be paid and discharged in full, but the legislature may, notwithstanding that it is an initiative measure, amend said act in furtherance of its purpose and the legislature may also repeal said act at any time after its adoption if no debts shall have been contracted in pursuance thereof.

ARGUMENT IN FAVOR OF LOS ANGELES STATE BUILDING BONDS.

This measure contemplates the erection by the state of a building at Los Angeles for the accommodation of the various governmental offices that are located in the southern part of the state. The proposition here is to allot for that purpose \$1,250,000 of state funds. It should be supported because it is part of a movement to bring the instrumentalities of government near to the people, and will promote efficiency in the service of the state. It has long been evident that certain departments whose relations to the life of the people are particularly close can do their work effectively only when they are convenient to the great centers of population. Accordingly, head offices of some departments and branch offices of others have been located in San Francisco and Los Angeles.

The growth in the business of the government made inevitable by the marvelous increase in population and the resulting development of agricultural and industrial activities long ago made the accommodations at Sacramento glaringly inadequate. Partially to remedy this the legislature at its last session proposed the erection there of an additional state building to house the offices of state that, until such building is erected, must occupy rented quarters. The same legislature passed an act authorizing the erection of a building in San Francisco on a site that was secured some time ago. These acts are both submitted to the people at this time and should be approved.

The proposition for a building at Los Angeles is a necessary part of the same movement. A very substantial portion of the population of the state is in those counties whose life and activities are centered in Los Angeles. It will always be necessary to maintain state offices in the city. At this time the state pays rent there for accommodations, among others, for the supreme court, district court of appeals, industrial accident commission, railroad commission, labor commissioner, inheritance tax department, board of medical examiners, state board of dental examiners, commission on immigration and housing, state banking department, highway commission, and fish and game commission. The offices will be increased in number rather than diminished. Thus, an office in Los Angeles to administer the motor vehicle act would be a great convenience to probably 80,000 people, and undoubtedly will be established in the near future. Now, not only must the state pay a high rental for all these offices, but the offices when rented are not adapted to the purpose and are widely scattered throughout the city. The speed and thoroughness of the work of all the departments would be greatly enhanced if they could be housed all in one building where communication between them would be easy, and in rooms large enough for their accommodation and suited to their work.

All of this relates to the work of the people. Whatever increases the efficiency of these bureaus, benefits the people by just that much. The erection of a building at Los Angeles in which all the various state offices located there can be housed, will enable these bureaus to serve the people with greater efficiency, will be in the long run economical, will add to the beauty and dignity of this section of the state, and will give space for increase of work and installation of additional bureaus, as they may be called for by increased population, without additional expense. Electors should vote "Yes" on this proposition.

WILLIAM W. MINES,
President Los Angeles Realty Board.

ARGUMENT AGAINST LOS ANGELES STATE BUILDING BONDS.

The state does not need a building in Los Angeles. There are not enough officers, departments, boards or commissions, whose offices are required to be kept in that city, to justify the state in expending \$1,250,000 in housing them.

Fifty years is too long to bond the state. Under this proposed bill the state will pay \$2,537,000, in principal and interest, for a \$1,250,000 building. Better issue a ten year, six per cent bond, if that rate is necessary, and thereby save more than \$860,000 in interest. Besides, this generation has no moral right to mortgage the state's revenues for fifty years. Millions of children yet unborn will be gray-headed men and women before such bonds mature.

The public should not bond the state through the initiative for any purpose whatever.

UNIVERSITY OF CALIFORNIA BUILDING BOND ACT.

Initiative measure providing for the issuance and sale of state bonds in the sum of \$1,800,000 to create a fund for the completion and construction of buildings on the grounds of the University of California in the city of Berkeley, said bonds to bear interest at four and one half per cent and to mature at different periods until January 5, 1965.

The electors of the State of California present to the secretary of state this initiative petition asking that the proposed law hereafter set forth be submitted to the electors of the State of California at the next general election, to be holden in the month of November, 1914, for their approval or rejection:

An act authorizing the construction of the unfinished portion of the library building of the University of California, and the construction of a building for general use as a recitation building, of a building for the use of the college of agriculture, and of a building for the use of the college of natural sciences as a chemistry building, upon the grounds of said University of California at Berkeley; providing for the issuance and sale of state bonds to meet the cost of the foregoing purposes; and providing the necessary moneys for the payment of the principal and interest to become due on said bonds.

The people of the State of California do enact as follows:

Section 1. The regents of the University of California are hereby authorized to complete the construction of the library building of the University of California, and also to construct a building for general use by said university as a recitation building, a building for the use of the college of agriculture of said university, and a building for the use of the college of natural sciences of said university as a chemistry building, all on the grounds of said university in the city of Berkeley. For the purpose of meeting the cost of such construction, the State of California is hereby authorized to, and shall, incur an indebtedness in the manner provided by this act, in the sum of one million eight hundred thousand dollars (\$1,800,000).

Immediately upon the taking effect of this act the treasurer of the state shall prepare eighteen hundred (1800) suitable bonds of the State of California, negotiable in form and payable to bearer, and expressing on their face the obligation of the State of California to pay, in gold coin of the United States, the principal amount thereof at the respective dates of maturity hereafter specified, together with interest, as hereafter specified, in the denomination of one thousand dollars (\$1,000) each. Said bonds shall be numbered consecutively from one (1) to eighteen hundred (1800) inclusive, and shall

It would be as logical for each stockholder of a bank to loan the bank's funds without knowing the amount of funds it had to loan, or for each member of a large family to indiscriminately incur debts without knowing how those debts are to be paid, as for the public to bond the state without knowing its resources, or ability to pay.

The individual, the corporation and the state that pays as it goes is the one that never knows hard times.

Do not run the state further in debt. With approximately fifty millions of dollars going out of our state annually for automobiles and their accessories, and with many of our cities bonded to the limit, possibly Los Angeles among them, our ability to pay is about exhausted. Few states could stand the financial strain that our state is now standing. Let us live within our means, and not erect unnecessary buildings until we have the cash with which to build them.

W. F. CHANDLER.

bear date the fifth day of January, 1915. The total issue of such bonds shall not exceed the principal sum of one million eight hundred thousand dollars (\$1,800,000), and such bonds shall bear interest at the rate of four and one half per cent (4½%) per annum upon the principal from the date thereof. The said bonds and the interest thereon shall be payable in gold coin of the United States at the office of the treasurer of the state, at the times and in the manner following, to wit: The first forty (40) of said bonds shall be due and payable on the fifth day of January, 1921, and forty (40) of said bonds in consecutive numerical order shall be due and payable on the fifth day of January in each and every year thereafter, until and including the fifth day of January, 1965. The interest accruing on all of said bonds that shall be sold shall be payable at the office of the treasurer of the state on the fifth day of January and on the fifth day of July of each and every year after the sale of the same. The interest on all bonds issued and sold shall cease on the day of their maturity, and the said bonds so issued and sold shall on the day of their maturity be paid, as herein provided, and cancelled by the state treasurer. All bonds remaining unsold shall, at the date of the maturity thereof, be cancelled and destroyed by the treasurer of the state. All bonds issued pursuant to the provisions of this act shall be signed by the governor of the state, countersigned by the state controller, and endorsed by the state treasurer, and each of said bonds shall have the great seal of the State of California impressed thereon. The said bonds signed, countersigned, endorsed and sealed, as herein provided, when sold, shall be and constitute a valid and binding obligation upon the State of California, though the sale thereof be made at a date or dates after the persons so signing, countersigning and endorsing, or any of them, shall have ceased to be the incumbents of said office or offices.

Sec. 2. Attached to each of said bonds there shall be an interest coupon for each semi-annual payment of interest thereon, negotiable in form, and payable to bearer, and expressing the obligation of the State of California to pay the amount of such semi-annual payment of interest, in gold coin of the United States, at the time of maturity thereof. Said interest coupons shall be so attached that each may be detached without

injury to or mutilation of said bond, or injury to, mutilation of, or detachment from said bond of, the remainder of such coupons the time of payment of which has not yet been reached. Said coupons shall be consecutively numbered in the chronological order of their time of payment, and shall bear the lithographed signature of the state treasurer. No interest shall be paid on any of said bonds for such time as may intervene between the date of said bond and the day of sale thereof, except to the extent to which accrued interest shall have been paid to the state at the time of such sale by the purchaser of said bond.

Sec. 3. When the bonds authorized by this act to be issued shall have been signed, countersigned, endorsed and sealed, as in section 1 provided, the state treasurer shall, from time to time, sell such number thereof as the governor of the state may direct to the highest bidder for cash. The governor of the state shall, from time to time, issue to the state treasurer such direction immediately after being requested so to do through and by a resolution duly adopted and passed by a majority vote of the regents of the University of California. Such resolution shall specify the amount of money which, in the judgment of said the regents of the University of California, shall be required at such time, and the governor of the state shall direct the state treasurer to sell such number of bonds as will, at the par value thereof, equal said amount of money so required according to such resolution of the regents of the University of California. Said bonds shall be sold in consecutive numerical order, save and except that the state treasurer may sell two or more bonds at the same time in one lot, which lot, however, shall be made up of bonds consecutively numbered, the first of which in number shall be the first bond in number yet unsold. The state treasurer shall not accept any bid which is less than the par value of the bond or bonds bid for, and to the amount of the accepted bid there shall be added in each case, as a part of the purchase price to be paid by the bidder, the amount of interest which shall have accrued on the bonds bid for between the date of the payment for said bonds and the last preceding interest maturity date. Each bid shall be in writing and signed by the bidder and sealed, and shall be deposited with the state treasurer not later than the last business day preceding the date of sale. Each bid shall be accompanied by the deposit with the state treasurer, either in cash or by certified check on a reputable bank within the State of California, to the order of the State of California, of one tenth of the amount of the par value of the bond or lot of bonds bid for. Such deposit of each unsuccessful bidder shall be returned to him immediately upon the next acceptance of his bid, and such deposit of the successful bidder shall immediately upon the acceptance of his bid become and be the property of the State of California and be placed in the state treasury to the credit of the "University of California building fund" hereinafter mentioned, and shall be credited to the successful bidder upon the purchase price of the bonds bid for in case such price is paid in full by him within the time hereinafter prescribed. At the time of sale the state treasurer shall open said bids and accept the bid of the highest bidder for cash, save and except that no bid shall be accepted which is lower in amount than the par value of the bonds bid for, and that the state treasurer may, in his discretion, reject all bids. The purchase price of the bonds sold shall be payable within ten days after the acceptance of the bid therefor, and if not so paid the successful bidder shall have no right in or to said bonds or by reason of said bid, or to the recovery of said deposit accompanying said bid, or to any allowance or credit by reason of such deposit. In case the purchase price is not so paid, the bonds so sold but not paid for shall be resold by the state treasurer upon notice as hereinafter provided in case of original sale. Bonds sold shall be deliverable to the purchaser immediately upon, and not before, the payment of the purchase price therefor. Before delivering any of said bonds, the state treasurer shall detach therefrom all interest coupons which have matured before the date of the payment of the purchase price therefor. The state treasurer may, by public announcement at the time and place fixed by him for said sale, continue such sale to such time and place as he may at the time of said continuance designate. When a sale is so continued no notice thereof need be given, other than the public announcement of such continuance by the state treasurer as just hereinbefore provided. The state treasurer shall give notice of the time and place of sale by publication in two newspapers

published in the city and county of San Francisco, in one newspaper published in the city of Los Angeles, in one newspaper published in the city of Oakland, and in one newspaper published in the city of Sacramento, once a week for four weeks next ceding the date fixed for such sale. In addition to the last above provided for, the state treasurer may give such other notice as he may deem advisable, but the expense and cost of such additional notice shall not exceed the sum of five hundred dollars (\$500) for each sale so advertised.

There is hereby created in and for the state treasury a fund to be known and designated as the "University of California building fund," and immediately after such sale of bonds the treasurer of the state shall pay into the state treasury and cause to be placed in said "University of California building fund" the total amount received from the sale of said bonds, except such amount as may have been paid as accrued interest thereon. The amount that shall have been paid at such sale as accrued interest on the bonds sold shall be by the treasurer of the state, immediately after such sale, paid into the treasury of the state and placed in a fund to be known as the "Interest and sinking fund of the University of California building bonds."

The moneys placed in the "University of California building fund," pursuant to the provisions of this section, shall be used under the direction of the regents of the University of California exclusively for the completion of the construction of said library building and the construction of the other buildings hereinbefore mentioned.

Moneys shall be drawn from said "University of California building fund," for the purposes of this act, upon warrants duly drawn by the controller of the state, upon claims made by the regents of the University of California and approved by the state board of control.

Sec. 4. There is hereby appropriated from the general fund in the state treasury such sum annually as will be necessary to pay the principal of, and interest on, the bonds issued and sold pursuant to the provisions of this act as said principal and interest become due and payable. There shall be collected each year, and in the same manner and at the same time as other state revenue is collected, such sum in addition to the ordinary revenues of the state as shall be required to pay the principal and interest on said bonds maturing in said year, and hereby made the duty of all officers charged by law with any duty in regard to the levy and collection of said revenue to do and perform each and every act which shall be necessary to collect such additional sum.

There is hereby created in the state treasury a fund to be known and designated as the "Interest and sinking fund of the University of California building bonds." The state treasurer shall, on the first day of July, 1915, and on the first day of each January and the first day of each July thereafter, transfer from the general fund of the state treasury to said "Interest and sinking fund of the University of California building bonds" such an amount of money as shall be required to pay the interest maturing at the next interest payment date on the amount of said bonds sold and outstanding; and shall likewise, on the first day of January of the year 1921, and the first day of January of each year thereafter in which any of said bonds sold and outstanding mature, transfer from the general fund of the state treasury to said "Interest and sinking fund of the University of California building bonds" such an amount of money as may be required to pay the principal of such of said bonds sold and outstanding as mature in such year.

Sec. 5. The principal and interest of all of said bonds which may be sold shall be paid at the time the same become due from said "Interest and sinking fund of the University of California building bonds," and the faith of the State of California is hereby pledged for the payment in full of the principal and interest of said bonds so sold as the same mature. Both principal and interest shall be so paid upon presentation to the state treasurer on or after the day of the maturity of the same of the bond or coupon so maturing, and the state treasurer is hereby authorized and required to make such payment. Warrants for such payments shall be duly drawn by the state controller upon the request of the state treasurer.

Sec. 6. There shall be provided in the general appropriation bill to be passed at the next regular session of the legislature sufficient money to defray all expenses that shall be incurred by the state treasurer in the preparation of said bonds and in advertising of the sale thereof as in this act provided.

Sec. 7. The state controller and state treasurer shall keep full and particular account and record of all their proceedings under this act, and they shall transmit to the governor, in triplicate, an abstract of all such proceedings thereunder, with annual report, in triplicate, one copy of each to be by the governor laid before each house of the legislature bi-annually. The books and papers pertaining to the matters provided for in this act shall at all times be open to the inspection of any parties interested, or of the governor, the attorney general, or the legislature, or of any citizen of the state.

Sec. 8. This act shall be known and may be cited as the "University of California building bond act," and, after any of the bonds herein provided for have been sold, shall be irrevocable until the principal and interest of all bonds sold shall have been paid and discharged in full, but the legislature may amend this act at any time in furtherance of its purpose, and may also repeal this act at any time after its adoption, provided that there are at the time no bonds which have been sold thereunder outstanding and unpaid in full as to both principal and interest.

ARGUMENT IN FAVOR OF UNIVERSITY OF CALIFORNIA BUILDING BOND ACT.

The \$1,800,000 bond issue for the University of California is for permanent buildings for the university at Berkeley. The graduates of the university, of whom there are now about 10,000 in California, are bringing this bond issue to the attention of the people of the state. It is proposed to erect a number of buildings to meet the crowded conditions now existing. A building or buildings must be provided for the college of agriculture, which is growing rapidly in all its branches, and which under the new organization is doing a tremendous service to the entire state; for completing the university library, which is already overcrowded in every way; a chemical laboratory for the chemistry department, whose laboratories were built to take care of 300 and are now being used to teach more than 2,000 students; and, most important of all, to construct a large recitation and class room building in place of North Hall, which is daily a menace to life and property and overcrowded almost beyond endurance.

The University of California is in point of numbers the largest state university in the United

States, the second largest of all universities in the country, and the eighth largest of all in the world. It has grown from 2,500 students in 1899 to over 7,000 students in 1914, while its class rooms in the same time have increased from 54 to only 68. Several classes now number 600 students and lectures are held temporarily in the gymnasium. Through its agricultural department, its agricultural train and county advisers, its university extension, its correspondence courses, and its stations in southern California, Fresno, and at Davis, the university reaches and benefits over 250,000 persons annually. With the large number of students, many departments of the university are housed under pitiful conditions at Berkeley.

Private benefaction has recognized the University of California by building the following permanent structures on the campus: The University Library, the Hearst Memorial Mining Building, the Boalt Hall of Law, the Hearst Greek Theater, the Sather Gate, and the Sather Campanile, at a total cost of approximately \$2,000,000, besides a \$600,000 hospital for the medical school; while the state has built California Hall and the first agricultural building at a total cost of \$500,000.

The Alumni Association believes that while the state has been liberal in its support and maintenance of the University of California, yet it is absolutely necessary at this time to make the people of California realize the grievous inadequacy of the present building equipment of the university and to make it clear that without this bond issue the state cannot supply these buildings. In collecting the signatures to place this measure on the ballot, no opposition has been met. The work of getting signatures was largely voluntary, and support was given the measure in every county of the state. The benefits which the university gives to the state are unquestioned; therefore it is felt that it is proper and right to place before the people of California the opportunity of endorsing and properly providing for the work of their state university.

ALLEN L. CHICKERING,
President Alumni Association.

PROHIBITION ELECTIONS.

Initiative amendment adding section 1½ to article IV of constitution. Prohibits, for eight years after this election, state election on question of prohibiting or permitting transportation of intoxicating liquors and any election on question of prohibiting or permitting the manufacture or sale thereof; prohibits state election or election under local option law or charter upon latter question within eight years of like election thereon; declares majority vote in each municipality or district at this election upon prohibition amendment to article I of constitution, and at any statewide prohibition election hereafter, makes same license or non-license territory.

The electors of the State of California present to the secretary of state this petition and request that a proposed amendment to the Constitution of the State of California, by adding to article IV thereof, after section 1 of said article, a new section to be numbered and known as section 1½, be submitted to the people of the State of California for their approval or rejection at the next ensuing general election or as provided by law. The proposed amendment is entitled as follows:

Amendment to the Constitution of the State of California by adding to article IV thereof after section 1 of said article IV a new section numbered section 1½ limiting the times and periods at which elections may be held on questions or propositions as to the prohibition or licensing of the manufacture, sale or transportation of intoxicating liquors and declaring the effect of such elections.

The people of the State of California do enact as follows:

Article IV of the Constitution of the State of California is hereby amended by adding thereto

a new section to follow section 1 and to be numbered section 1½, in the following words:

Section 1½. Subdivision first: From and after the general election in the year 1914 (at which there is submitted to the people of the State of California for their approval or rejection a certain proposed amendment to the constitution proposing to add to article I thereof, sections 26 and 27 relating to intoxicating liquors), and for a period of eight years thereafter, no other or further election upon the question of prohibiting or permitting the manufacture or the sale or the transportation in or to the state, of intoxicating liquors shall be held in the state at large whether by way of proposed amendment to the constitution or by way of legislation, either as an initiative or as a referendum measure, or in pursuance of any existing law, or of any law that may be enacted hereafter; nor during the said period of eight years from and after said election shall there be submitted to the votes of the electors of any incorporated city or town, or supervisorial

district, not included within the boundaries of any incorporated city or town, or of the electors of any portion of a supervisory district not included within the boundaries of any incorporated city or town, any question or proposition as to the prohibition or permitting of the manufacture or the sale or the licensing or non-licensing of the sale of intoxicating liquors in any such incorporated city or town or supervisory district, or portion of a supervisory district. And whenever any election shall be hereafter held in the state at large at which there shall be submitted to the votes of the electors any such question or proposition as last mentioned, no other or further election upon any such question or proposition shall be held for a period of eight years after such last mentioned election.

Subdivision second: If, at the said general election held in the year 1914, a majority of the votes cast shall be or were against the proposed amendment so submitted, each and every incorporated city and town and each and every supervisory district not included within the boundaries of any incorporated city or town, and each and every portion of a supervisory district not included within the boundaries of any incorporated city or town, in which incorporated city or town or supervisory district, or portion of a supervisory district, a majority of the votes cast shall be found upon a canvass thereof to have been against the said proposed amendment, shall be deemed and considered and held to be "license territory" (meaning by the words "license territory" territory within which licenses for the sale of intoxicating liquors may be granted or the granting of licenses therefor may be authorized by the governing or legislative body having legislative authority or jurisdiction in or over such incorporated city or town or supervisory district, or portion of a supervisory district), and each and every incorporated city and town and each and every supervisory district or portion of a supervisory district not included within the boundaries of any incorporated city or town, in which incorporated city or town or supervisory district, or portion of a supervisory district, a majority of the votes cast shall be found upon a canvass thereof to have been in favor of the said proposed amendment, shall be deemed and considered and held to be "non-license territory," and no license for the sale or authorizing the sale of intoxicating liquors within such non-license territory shall be granted or authorized.

Subdivision third: Whenever any election shall be held hereafter throughout the state at large at which there shall be submitted to the votes of the electors any question or proposition as to whether the manufacture and sale (or either), of intoxicating liquors shall be prohibited throughout the state, or whether the same shall be licensed or shall not be licensed, and a majority of the votes cast at such election shall be against the prohibition thereof, or in favor of the licensing thereof, each and every incorporated city and town and each and every supervisory district not included within the boundaries of any incorporated city or town, and each and every portion of a supervisory district not included within the boundaries of any incorporated city or town, in which incorporated city or town or supervisory district, or portion of a supervisory district, a majority of the votes cast shall be found upon a canvass thereof to have been against such prohibition, or in favor of the licensing of such manufacture or sale of intoxicating liquors, shall be deemed and held and considered to be

license territory, as defined in subdivision second of this section 13, and each and every incorporated city and town and each and every supervisory district, or portion of a supervisory district not included within the boundaries of any incorporated city or town, in which incorporated city or town, or supervisory district, or portion of a supervisory district, a majority of the votes cast shall be found upon a canvass thereof to have been in favor of the prohibition of such manufacture and sale of intoxicating liquors, and against the licensing thereof, shall be deemed and considered and shall be held to be "non-license territory," and no license for the sale or authorizing the sale of intoxicating liquors within such non-license territory shall be granted or authorized.

Subdivision fourth: Whenever pursuant to any law now existing or hereafter enacted, relating to local option, or pursuant to the provisions of the charter of any county, city and county, city, or town, any election shall hereafter be held in any county, city and county, city or town, or supervisory district not included within the boundaries of any incorporated city or town, or portion of a supervisory district not included within the boundaries of any incorporated city or town, upon the question of prohibiting or permitting the manufacture or the sale or the licensing or non-licensing of the manufacture and sale (or either), of intoxicating liquors therein, no other or further election shall be held upon such question in such county, city and county, city or town, supervisory district or portion of supervisory district, for a period of eight years thereafter, and whenever any such election as in this subdivision mentioned shall be held hereafter, each county, city and county, city or town, supervisory district or portion of supervisory district, in which upon a canvass of the votes it shall be found that a majority of the votes cast shall be or shall have been against such prohibition or in favor of the licensing of the manufacture or sale of intoxicating liquors, shall be deemed and held and considered to be "license territory" within which licenses for the sale of intoxicating liquors may be granted or the granting of licenses therefor may be authorized by the governing or legislative body having legislative authority or jurisdiction in or over such territory, and each and every county, city and county, or incorporated city or town, or supervisory district not included within the boundaries of any incorporated city or town, or portion of a supervisory district not included within the boundaries of any incorporated city or town, in which, upon a canvass of the votes, it shall be found that a majority of the votes cast shall be or shall have been in favor of prohibiting the manufacture or sale of intoxicating liquors or against the licensing thereof, shall be deemed and held and considered to be "non-license territory," and no license for the sale, or authorizing the sale, of intoxicating liquors within such non-license territory, shall be granted or authorized.

Subdivision fifth: The proper governing or legislative body having legislative authority or jurisdiction over any county, city and county, incorporated city or town, or supervisory district or portion of a supervisory district, as the case may be, shall have authority to enforce by laws or ordinances and penalties for the violation thereof, the prohibition of the manufacture, sale, or giving away of intoxicating liquors in non-license territory, and shall also have authority to regulate the manufacture and sale of intoxicating liquors in license territory and granting and issuance of licenses therein.

ARGUMENT IN FAVOR OF AMENDMENT REGULATING PROHIBITION ELECTIONS.

This amendment is of vital interest to every man, and especially every taxpayer, whether "wet" or "dry."

Without stopping, or hindering, any real temperance or anti-saloon work, this amendment will regulate the holding of liquor elections so that the same results may be accomplished, but without continually engendering strife and bitter feeling in peaceful communities, without demoralizing other business interests, and without imposing the grievous burden on taxpayers inflicted by the present system.

First—The amendment provides that, beginning with the election to be held on November 3, 1914, the period between liquor elections of any kind shall be eight years. The taxpayers have paid for three hundred liquor elections in the last three years. This amendment will give the state a chance to adjust itself and will relieve the taxpayers of any more such expense for eight years.

Second—It restores local authority to communities where it has been taken away; that is, any city, or supervisorial district outside of an incorporated city, which votes against state-wide prohibition in November, will thereby regain the right to handle its own liquor question as it pleases without holding an election.

Third—It provides that any city, or supervisorial district outside of an incorporated city, which votes in favor of state-wide prohibition will thereby become "no-license" territory for eight years.

The amendment does not take away, nor interfere with, any of the police powers delegated by the state constitution to the governing licensing body of any political subdivision of the state.

It does not take the control of the liquor traffic out of the hands of the people. The power of the city or county authorities, or of the state legislature, to regulate the sale of liquor where licensed, or to abolish it entirely at any time, is not affected in any way whatever.

It does not hinder the work of any temperance organization but merely regulates their work so that taxpayers will have to pay for liquor elections only at reasonable intervals.

It does not make any new wet territory.

It does not prevent any wet territory from going dry.

It does not repeal, or compel the repeal, of any dry ordinance of any kind whatever.

It does not compel any one to vote for state-wide prohibition to keep saloons out of the local community. Every voter may vote against state-wide prohibition without making one change in the present wet or dry territory.

Every voter, whether "wet" or "dry," should vote for this amendment because it is in line with the rising sentiment of the people against continual agitation of any kind that demoralizes business conditions and causes hard times.

While still retaining the power, through your legislative body, to establish license fees and regulations for the sale of liquor where permitted by law, or to abolish it entirely, you, Mr. Voter, and you, Mr. Taxpayer, now have an opportunity to secure a breathing spell and to help to restore peace and prosperity.

Vote "Yes."

FRANK G. RONEY,

and Recorder, Grand Lodge Knights of the Royal Arch.

ARGUMENT AGAINST AMENDMENT REGULATING PROHIBITION ELECTIONS.

This amendment is unfair and misleading. It seeks to disfranchise the people by making a vote on one issue settle an entirely different matter. There are voters who favor local prohibition, but who are opposed to state-wide prohibition. Under this amendment they could not choose between the two. To preserve or obtain local prohibition they would have to vote for state-wide prohibition. Then there are voters opposed to saloons, and yet not in favor of absolute prohibition, either local or state-wide. Under this amendment they could not vote for anything except absolute prohibition.

Under the pretense of preventing frequent elections, this amendment would repeal all existing laws and ordinances touching the liquor question. If it were adopted, the state legislature would have no power to either prohibit or regulate the liquor traffic. Subdivision 5 puts such power exclusively in the hands of local legislative bodies; and even they could not prohibit the traffic in "license territory"; they could only "regulate" it. This would mean that liquor could be sold on election days, and to Indians, minors and drunkards, unless prohibited by local ordinance; also that saloons could be established as close to universities, prisons, soldiers' homes, and other state institutions as local governing bodies would permit.

Under this amendment "license territory" would mean every city or supervisorial district which gives a majority against state-wide prohibition on November 3d. Such a vote would repeal all existing charter provisions and ordinances touching the liquor traffic, would forbid the people or their representatives from prohibiting that traffic for eight years thereafter, and would make mandatory a policy of "regulation." Not only would this be an unwarranted interference with the long established rights of California cities, but it would be an interference based on deception, as the amendment does not show on its face what is concealed beneath its legal verbiage.

This amendment is vicious because while pretending to give the people power to adopt local prohibition, it really takes that power from them. It provides that no license or authority to sell intoxicating liquors shall be granted in "non-license territory," but it does not prohibit or make unlawful the selling of such liquors therein. Ohio has had experience with this kind of constitutional provision. The supreme court there held that prohibiting licenses does not prohibit the sale of liquor. (*Adler vs. Whitbeck*, 44 Ohio St. 539.) Hence saloons flourished legally, though without licenses, in Ohio. They could do the same in California. Under this amendment, the people's vote against license would not insure prohibition of the traffic, but would leave that wholly with the local officials. They might either prohibit or permit the sale of liquor in territory which had voted dry. On the other hand, if a majority voted for license this vote would be mandatory, and neither the people nor their local officials could banish saloons from that territory for eight years thereafter. This is grossly one-sided and would be an intolerable interference with local rights.

Vote "No."

D. M. GANDLER,

State Superintendent Central and Northern California Anti-Saloon League.

REGULATING INVESTMENT COMPANIES.

Initiative act authorizing governor to appoint auditor of investments empowered to employ deputies and fix their compensation, defining investment companies, authorizing examination thereof by auditor and judicial investigation of their practices, defining securities and prohibiting sale thereof to public, or taking subscriptions therefor, by such companies before filing with auditor their financial statement and description of security, excepting from act certain companies and individuals, securities thereof and certain installment securities, regulating advertisements and circulars regarding securities, creating fund from official fees for salaries and expenses under act; repeals all laws on subject adopted heretofore or concurrently herewith.

The electors of the State of California hereby present this petition to the secretary of state of said state, and hereby propose for submission to, and for approval of or rejection by, the qualified voters of said state, the following proposed law for said state, which proposed law is hereby and herein set forth in full in this petition, and the following is the full title and text of the said proposed measure:

An act to define investment companies, investment brokers, and agents; to provide for the regulation and supervision thereof; to provide penalties for the violation thereof; to create the office of auditor of investments, and to make an appropriation therefor; and to provide that the provisions of this act shall constitute the entire and only law of this state upon or relating to the subject matter or matters dealt with in or by this act, and that it shall operate as a complete substitute for, and shall be deemed to be amendatory of all other provisions of or in any and all other laws of this state relating to such subject matter or matters, whether heretofore existing, or approved or adopted prior to or concurrently with the adoption or approval of this act, and that the office of commissioner of corporations shall not exist in this state.

The people of the State of California do enact as follows:

Section 1. This act shall be known as the Investors' Protective Act of California.

Sec. 2. (a) The term investment company, when used in this act, includes every corporation, association, co-partnership and company, which shall, within this state, sell, offer for sale, negotiate for the sale of, or take subscriptions for any stock, stock certificate, bond or other evidence of indebtedness of any kind or character, issued or to be issued by itself, other than promissory notes not offered to the public by the maker thereof.

(b) The term security, when used in this act, includes the stock, stock certificates, bonds, and other evidences of indebtedness, other than promissory notes not offered to the public by the maker thereof, of an investment company.

(c) The term investment broker, when used in this act, includes every corporation, association, co-partnership, company and person who shall, within this state, engage in the business of selling, offering for sale or negotiating for the sale of, the securities of investment companies.

(d) The term agent, when used in this act, includes every corporation, association, co-partnership, company and person who shall, within this state, sell, offer for sale, negotiate for the sale of, or take subscriptions for any security of an investment company, as an employee on a salaried basis or for a commission, if acting

either for an investment company or for an investment broker.

(e) The term sale, when used in this act, means the original transfer of title of its own securities from an investment company for a valuable consideration.

Sec. 3. This act shall not apply to corporations, associations, co-partnerships, companies, firms or individuals when they are subject to the jurisdiction or authority of the railroad commission, nor to corporations, associations, co-partnerships, companies, firms or individuals after they have secured from the state banking department, the insurance commissioner or the bureau of building and loan supervision a certificate of authority or license to do business within this state, nor to corporations, associations, co-partnerships or companies, subject to federal regulation, nor to those not organized for profit, nor to mutual water companies, nor to irrigation districts, nor to municipal corporations, nor to the stocks, stock certificates, bonds or other evidences of indebtedness of such corporations, associations, co-partnerships, companies, firms or individuals, nor to the securities described or referred to in section 635-a of the Political Code.

Sec. 4. (a) Before selling, offering for sale, negotiating for the sale of, or taking subscriptions for any security defined in this act, each investment company shall file in the office of the auditor of investments of this state, together with a filing fee, as hereinafter provided, an itemized statement setting forth the name of the investment company; its principal place of business; the amount and character of its assets; the amount and character of its obligations; and the names of its officers and of its directors or trustees, or the names of its partners, if it be a co-partnership. The above described statements shall be verified by the oath of a member of the co-partnership or company, if it be a co-partnership or company, or by the oath of a duly authorized officer thereof, if it be an incorporated or an unincorporated association. Also, there shall be filed, together with said statement, a copy of all forms of securities which such investment company proposes to sell to the public, a certified copy of its charter, articles of incorporation or articles of association and all amendments thereto, and a certified copy of its by-laws and all amendments thereto. Said filing fee shall be five dollars, if the par or face value of said securities amount to twenty-five thousand dollars or less; ten dollars if the par or face value of said securities amount to over twenty-five thousand dollars and not over fifty thousand dollars; fifteen dollars if the par or face value of said securities amount to over fifty thousand dollars and not over seventy-five thousand dollars; twenty dollars if the par or face value of said securities amount to over seventy-five thousand dollars and not over one hundred

thousand dollars; and twenty-five dollars if the par or face value of said securities amount to over one hundred thousand dollars.

(b) If an investment company desire not to file its securities to the public the auditor of investments shall file a written finding to that effect. Upon the filing of said finding the investment company and its securities shall be exempt from the provisions of this act unless said investment company shall sell its securities to the public, whereupon the auditor of investments shall make and file an order setting aside said finding.

(c) Also, if such investment company be organized or created under or by virtue of the laws of any other state, territory or government, it shall file in the office of the auditor of investments, a certified copy of the statute or statutes or legislative or executive or governmental act or acts creating it, in cases where it has been created by statute or legislative or executive or governmental act, said copy to be duly certified by the official authorized by the law of the jurisdiction under which said corporation is formed to certify such copy; also such investment company shall file in the office of the auditor of investments its written instrument, irrevocable, appointing the auditor of investments its true and lawful attorney, upon whom all process in any action or proceeding against it may be served with the same effect as if said company were organized or created under the laws of this state and had been lawfully served with process therein. Service upon said attorney shall be deemed personal service upon such company. The auditor of investments shall forthwith forward by mail, postage prepaid, to the person designated by such company by written instrument filed with the auditor of investments, to the address given in said instrument, or, in case no such instrument been filed, to the secretary of such company

its latest known post office address, a copy of every process served upon him under the provisions of this section. For each copy of process, the auditor of investments shall collect the sum of two dollars, which shall be paid by the plaintiff or moving party at the time of such service, to be recovered by him as part of his costs, if he succeed in the suit or proceeding. Service shall be deemed not complete until said fee has been paid, and said copy of process mailed as hereinbefore directed.

Sec. 5. It shall be the duty of the auditor of investments to examine the statement and other information so filed, and, if it appear to said auditor of investments from said statements that said company be in an unsafe or in an insolvent condition, to make, or to have made, at the cost of said company as hereinafter provided, a detailed examination, audit and investigation of the investment company's affairs. Such investment company shall pay to the auditor of investments, for each examination, traveling expenses, and a fee of ten dollars for each day or fraction thereof that he or his deputy shall necessarily be absent from his office for the purpose of making such examination, and failure or refusal of any investment company to pay such fee upon demand of the auditor of investments shall work a forfeiture of its rights to sell any further securities in this state until such fee shall have been paid to the auditor of investments, with interest at the rate of seven per cent. per annum from the time of the demand of the auditor of investments and an additional twenty-five per cent. of such fee by way of penalty. If the auditor of investments, upon such examination, find said investment company to be violating the provisions of its charter or of the laws of this state pro-

vided for its government, or to be conducting its business in an unsafe or in an unauthorized manner, he may, by an order addressed to the said investment company so offending, direct a discontinuance of such violations or unsafe practices and a conformity with all the requirements of law; and if such investment company refuse or neglect to comply with such order within the time specified therein; or if it appear to the auditor of investments, at any time, that any such investment company is in an unsafe condition, or is conducting its business in an unsafe manner, so as to render its further proceeding hazardous to the public or to those having funds in its custody, he shall notify the attorney general of the State of California of such facts and shall furnish to him a statement showing the condition of such investment company, as the same may have been found by him to exist; at the same time he shall notify the officers of such investment company of the fact of such notification having been given and of such statement having been furnished and direct them to cease the transaction of new business, and to hold all moneys, securities and property intact, pending the action of the attorney general on such report. The attorney general shall thereupon apply to the superior court of the county in which said investment company has its principal place of business to issue a mandamus pending such action on his part requiring compliance with said instructions of said auditor or to issue an injunction restraining it, in whole or in part, from further proceeding with its business until a hearing shall be had. Such court may, upon such application, issue such mandamus or injunction in whole or in part, and after a full hearing, it may dissolve it or it may modify it, or it may make it perpetual, and it may make such orders and such decrees according to the course of proceedings in equity to restrain or to prohibit the further prosecution of business by such investment company as may be needful in the premises; and it may appoint one or more receivers to take possession of the property and of the effects of such investment company, subject to such directions as may from time to time be prescribed by the court; or it may, by its decree, order and direct that, in lieu of the appointment of a receiver, the business and affairs of such investment company be liquidated by a board of trustees equal in number to its board of directors, or partners, if it be a co-partnership, said board of trustees to be elected by the stockholders, or partners, if it be a co-partnership, at a meeting thereof, to be called for such purpose and to be held within two weeks after the first Monday succeeding the date of such order and decree: such meeting to be called and to be held on the order of the auditor of investments, who shall be present and who shall preside thereat until such election shall be had; whereupon he shall report the result to the proper court, and thereupon the term of office of the existing board of directors and of all the officers, or partners, if it be a co-partnership, of such investment company shall cease and shall determine.

Sec. 6. The provisions of sections four and five of this act, in so far as applicable, shall apply to investment brokers.

Sec. 7. It shall be unlawful for any investment company, investment broker or agent to issue, to circulate or to deliver any advertisement, pamphlet, prospectus, circular or statement or other similar document in regard to securities which are to be sold in this state unless the same shall be signed with the name of the investment company or of the investment broker

and shall bear a serial number, and a copy thereof first shall have been filed with the auditor of investments. The auditor of investments may for cause object to any such advertisement, pamphlet, prospectus, circular, statement or other similar document, whereupon it shall be unlawful for any such investment company, investment broker or agent further to circulate or to deliver such advertisement, pamphlet, prospectus, circular, statement or other similar document.

Sec. 8. (a) Every investment company shall file in the office of the auditor of investments, under date of December 31st and of June 30th of each year, and within fifteen days after said dates, respectively, a report setting forth the name of the company; its principal place of business; the amount and character of its assets; the amount and character of its obligations; and the names of its officers and of its directors or trustees or partners, if it be a co-partnership, together with a copy of all amendments to its charter, articles of incorporation, or articles of association, or by-laws which may have been made subsequent to the filing of its latest prior statement. The above described statements shall be verified by the oath of a member of the co-partnership or company, if it be a co-partnership or company, or by the oath of a duly authorized officer thereof, if it be an incorporated or an unincorporated association.

(b) Also, at the time of filing such statement every investment company shall publish a condensed statement of its financial condition, at least once, in a newspaper of general circulation, published in the city or town where the principal place of business of such investment company is located, and if no newspaper be published in the place designated as the principal place of business of such investment company then the publication may be made in some other newspaper published in the county, if there be one, and if there be none, then in a newspaper published in an adjoining county of this state. Said statement shall contain such items as shall show the actual financial condition of such investment company, and shall be verified.

Sec. 9. All papers, documents, reports and other instruments in writing filed with the auditor of investments under this act shall be open to public inspection; provided that, if in his judgment the public welfare or the welfare of any investment company demand that any portion of such information be not made public the auditor of investments may withhold such information from public inspection for such time as in his judgment be wise.

Sec. 10. Any person who knowingly or wilfully shall subscribe to or shall make or shall cause to be made any false statement or false entry in any book of any investment company or of any investment broker, or who shall exhibit any false paper with the intention of deceiving any person authorized to examine into such affairs, or who knowingly or wilfully shall make or publish any false or any misleading statement of financial conditions or concerning securities offered for sale, shall be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars or by imprisonment in a county jail not to exceed one year or by both such fine and by such imprisonment.

Sec. 11. Any person, corporation, association, co-partnership or company which shall violate or which shall fail to comply with any of the provisions of this act shall be subject to a penalty of not less than five hundred dollars nor more than two thousand dollars for each and every offense, which penalty if unpaid after demand by the auditor of investments shall be recovered in an action brought in the name of the people of the State of California by the attorney general of said state.

Sec. 12. There is hereby created the office of auditor of investments. The auditor of investments shall be appointed by the governor and he shall hold office at the pleasure of the governor. He shall receive a monthly salary at the rate of six thousand dollars a year to be paid from the state treasury upon a warrant of the controller. He shall within fifteen days from the time of notice of his appointment take and subscribe to the constitutional oath of office and file the same in the office of the secretary of state and he shall execute to the people of the state a bond in the penal sum of twelve thousand dollars with corporate security or two or more sureties, to be approved by the governor of the state, for the faithful discharge of the duties of his office.

Sec. 13. The auditor of investments shall employ such clerks and such deputies as he may need to discharge in proper manner the duties imposed upon him by law. Neither the auditor of investments nor any of his clerks nor deputies shall be interested in any investment company, or investment as director, stockholder, officer, member, agent or employee. Such clerks and deputies shall perform such duties as the auditor of investments shall assign to them. The auditor of investments shall fix the compensation of such clerks and deputies; which compensation shall be paid monthly from the treasury of the state upon the certificates of the auditor of investments and upon the warrants of the controller; provided, however, that the total expenditure provided for in this act shall not exceed the sum of thirty thousand dollars a year. Each deputy within fifteen days after his appointment shall take and shall subscribe to the constitutional oath of office and shall file the same in the office of the secretary of state.

Sec. 14. The auditor of investments shall have his office in the city of Sacramento and he shall from time to time obtain the necessary furniture, stationery, fuel, light and other proper conveniences for the transaction of his business, the expenses of which shall be paid out of the state treasury on the certificate of the auditor of investments and the warrant of the controller.

Sec. 15. A fund is hereby created to be known as the investment auditor's fund and out of said fund shall be paid all the expenses incurred in and about the conduct of the business of the auditor of investments, including the salary of the auditor of investments and of his clerks and of his deputies, traveling expenses, furniture and rent. All moneys collected or received by the auditor of investments under and by virtue of the provisions of this act shall be delivered by him to the treasurer of the state, who shall deposit the same to the credit of said investment auditor's fund. All such fund so deposited or such part thereof as may be necessary for the purposes of this act hereby are appropriated to the use of the auditor of investments for the purposes of this act. It shall be the duty of the auditor of investments semi-annually to certify under oath to the state treasurer and to the secretary of state the total amount of receipts and of expenditure of the auditor's investment fund for the six months preceding. All fees and payments of every description required by this act to be paid to the auditor of investments shall be paid by him to the state treasurer on the first day of each month following their receipt by the auditor of investments.

Sec. 16. The auditor of investments shall adopt a seal bearing the words Auditor of Investments, State of California, and such other device as the auditor of investments may desire, by which he shall authenticate the proceedings of his office. Certified copies of all records and papers in the office of the auditor of investments shall be received as evidence in all cases equally and with like effect as originals.

The auditor of investments shall charge customary fees for certifying to copies of papers filed in his office.

Sec. 17. Any investment company, investment broker or agent complying with the requirements of this act may sell securities or perform any other act permitted under the provisions hereof.

Sec. 18. The office of commissioner of corporations shall not exist in this state.

Sec. 19. If any section, sub-section, sentence, clause or phrase of this act be, for any reason, held unconstitutional, such decision shall not affect the validity of the remaining parts of this act.

Sec. 20. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed.

Sec. 21. The sum of ten thousand dollars is hereby appropriated from any moneys in the state treasury not otherwise appropriated for the purpose of putting this act into effect.

Sec. 22. The provisions of this act shall constitute the entire and only law of this state upon or relating to the subject matter or matters dealt with in or by this act, and they shall operate as a complete substitute for, and shall be deemed to be amendatory of all other provisions of or in any and all laws of this state relating to such subject matter or matters, whether heretofore existing, or approved or adopted prior to or concurrently with the adoption or approval of this act.

ARGUMENT IN FAVOR OF INVESTORS' PROTECTIVE ACT.

This act, initiated by the electors of this state, will completely safeguard the interests of investors in securities, without virtually prohibiting corporate or co-operative enterprises.

This state must have its resources developed, either by encouraging corporate or co-operative enterprises financed by our general public, as "small investors," or by letting them fall into the hands of great individual capitalists, or "close corporations" formed abroad, which will absorb the profits due our own people.

This act has been prepared by experts of long experience in fiduciary capacities with responsible and successful concerns, who know and appreciate the value of that public confidence which rests on honesty in financial affairs.

The definition of "Investment companies," as adopted by our legislature, includes all corporate or co-operative concerns and partnerships, *whatever their line of business*, and no matter how far from "investment" enterprises in the ordinary sense. Every concern for profit which is incorporated, or which raises money in any way except on its promissory notes to banks, is an "investment company" and comes under these stringent rules.

Is it not desirable, therefore, that these rules shall be fixed and bear evenly on all, and that their administration shall be conducted according to established, orderly procedures, rather than that they be subject to the caprices and prejudices of a single individual, who may alter or end his requirements at will, or make flesh one and fowl of another, without effective check and with no appeal adequate to protect the personal and property rights of even innocent parties?

This act includes everything controlled by the most comprehensive "blue sky" law, but it avoids the vicious methods of administration which make many such acts more dangerous and harmful to the public than beneficial.

It involves no unnecessary expense or delay to legitimate business, and the healthful publicity it provides will enable the public to judge correctly of the condition of any corporation, and will enable it to act intelligently in transactions therewith.

This act is based on the accepted legal and moral principle that men and their enterprises are to be considered honest and lawful until the contrary appears. It does not presume, as do most such acts, that they are all to be considered dishonest until they have proved their honesty to the satisfaction of a commissioner who can, arbitrarily, find them guilty and impose fine or imprisonment by a star chamber decision, without even notice of the accusation.

It requires, among many other safeguards, that every "investment company" must, semi-annually, file with the auditor of investments, and publish, a sworn statement of the kind and value of its assets and the character and amount of its obligations; that all advertising matter be submitted to the auditor before circulation, and that audits of books and affairs be made at the auditor's pleasure. It also provides that any "investment company" found to be in an infant or unsafe condition, shall be wound up under supervision of the attorney general.

W. C. WALLACE.

ARGUMENT AGAINST INVESTORS' PROTECTIVE ACT.

This is a substitute for and an attempt to defeat the adoption of the referendum measure known as the "Investment Companies Act" set out on pages 38 to 41 of this pamphlet.

For the sake of brevity and clarity the "Investment Companies Act" will hereinafter be referred to as the "referendum act," and the "Investors' Protective Act of California" as the "Initiative act." Both are "blue sky" laws, so called, but it only becomes necessary to examine the points of difference between the two to decide in favor of the referendum act.

First—One difference is that in the referendum act the officer to execute the act is called the "commissioner of corporations," while in the initiative act such officer is designated "auditor of investments," a difference of course immaterial.

Second—By section 4 of the referendum act the commissioner of corporations is authorized to call for all matters which may be called for by the auditor of investments in the initiative act, but also to call for any such other information as may be deemed by him to be necessary to a full examination and understanding of the corporation under investigation; the auditor of investments is confined in his investigation to the strict letter of the statute, thus depriving him of the power of making such other investigation as might be indirectly necessary.

Third—By section 5 of the referendum act it is made the duty of the commissioner of corporations, after examining the matters required by the act to be presented to him, if he finds that the proposed plan of business is not unfair, unjust, or inequitable, to issue a certificate to said corporation reciting that it has complied with the provisions of the act and that said corporation is authorized to sell its securities on such conditions as the commissioner may in said certificate prescribe; or if said commissioner finds that the proposed plan of business of the corporation is unfair, unjust or inequitable he may refuse to issue such certificate, whereupon said corporation shall not be permitted to transact business until amending its plan and receiving such certificate. By said act an appeal may be taken to the superior court from the decision of the commissioner.

This permit thus issued by the commissioner must be exhibited to all would be purchasers of the securities of said corporation and becomes its warrant to transact business, and furnishes an authoritative and valuable document for its protection and advantage, as well as for the protection of investors. But by section 5 of the initiative act no such permit or certificate is to be furnished by the auditor of investments. Instead, he is required to examine the statements and information filed in his office, which, as stated, constitute only the matters and things fixed by the letter of the statute, giving him no discretion or power to call for anything else. The auditor, after making such examination, if he finds that said corporation be violating the provisions of its charter or of the laws, may direct a discontinuance of such violation or unsafe practice, but has no power whatever to restrain it in its activities, except to refer the matter to the attorney general and require him to bring suit against such corporation, which suit is to be brought in the county in which such corporation is transacting its business, thus compelling the attorney general to bring suit in a county where the corporation may be, and substituting the slow, laborious and expensive process of the courts for the expeditious methods provided by the referendum act in such cases; under the referendum act such corporation and the commissioner may readily readjust said methods of business so as to permit the corporation to proceed. This curtailment of power of the commissioner is one of the important differences.

Fourth—As by said section no certificate to transact business is issued, the investing public would have no opportunity of knowing authoritatively whether a corporation offering its securities was legally authorized to do so.

Eighty-one

Fifth—By section 6 of the referendum act an investment broker, upon making certain showing to the commissioner, is permitted to receive a certificate authorizing him to deal in stocks of other corporations, a very important provision for the investment broker who deals in marketable stocks; by the initiative act no such permit or license is provided for or can be issued.

Sixth—Another very important difference is in section 8 of the referendum act, which provides for general supervision and control over all investment companies and brokers by the commissioner; and provides further, possibly the most important of all his powers, the power of visitation and examination whereby he, like the superintendent of banks, the insurance commissioner, the railroad commission and the commissioner of building and loan associations, will have the power to visit and inspect such corpora-

tions—a power most salutary and necessary, but which has been entirely omitted from the initiative act, doubtless for the reason that its advocates desired to escape this regulation.

By sections 18 and 22 of the initiative act adoption, even though the referendum act was also adopted, would work a repeal of the referendum act and leave only the initiative act in force. The authors of the initiative act were zealous to work this result, for the reason that they apparently desired to draw the teeth of the referendum act and to substitute in its place another so harmless as to be of no real protection, effect or benefit to the investing public.

Vote "Yes" on the "Investment Companies Act." Vote "No" on the "Investors' Protective Act of California."

LEE C. GATES,
State Senator Thirty-fourth District.

SUSPENSION OF PROHIBITION AMENDMENT.

Initiative amendment adding section 26a to article I of constitution. Provides that if proposed amendment adding sections 26 and 27 to article I of constitution relating to manufacture, sale, gift, use and transportation of intoxicating liquors be adopted, the force and effect of section 26 shall be suspended until February 15, 1915, and that, as to the manufacture and transportation for delivery at points outside of state only, it shall be suspended until January 1, 1916, at which time section 26 shall have full force and effect.

The electors of the State of California present to the secretary of state this petition, and request that a proposed amendment to the Constitution of the State of California, by adding to article I thereof, section 26a, suspending the force and effect of proposed section 26 of article I, if enacted at the general election held November 3, 1914, as hereinafter set forth, be submitted to the people of the State of California for their approval or rejection, at the next ensuing general election, or as provided by law. The proposed amendment is as follows:

The people of the State of California do enact as follows:

Article I of the Constitution of the State of California is hereby amended by adding thereto a new section, to be numbered section 26a, in the following words:

Section 26a. Should an amendment to the Constitution of the State of California by adding to article I two new sections to be numbered respectively section 26 and section 27, as proposed by initiative petition filed with and certified to the secretary of state, and relating to intoxicating liquors, be enacted at the general election held on Nov. 3, 1914, then the force and effect of said section 26 shall be suspended until Feb. 15, 1915, at which time it shall have full force and effect except that, as to the manufacture and transportation of intoxicating liquors for delivery at points outside of the State of California only, the force and effect thereof shall be suspended until Jan. 1, 1916, at which time such manufacture and transportation also shall wholly cease and on and after said date said section 26 shall in all respects have full force and effect.

ARGUMENT IN FAVOR OF SUSPENSION OF PROHIBITION AMENDMENT.

This amendment seeks to correct an oversight in the drafting of the prohibition amendment, which failed to fix the time when it shall go into effect. The law of the state fixes the time at five days after the declaration of the vote by the secretary of state unless the time is specified in the law. It has been the rule where prohibitory amendments have been proposed to grant those engaged in the liquor traffic a reasonable length of time to get out of the business. The amendments of Washington, Oregon, and Colorado fix the date at January 1, 1916. The present local

option law allows ninety days to close out the business.

This amendment was initiated by the same persons who initiated the prohibitory amendment. It has been endorsed by almost all temperance organizations. It hardly needs an argument, as it is reasonable, wise and fair. The liquor traffic has been recognized as a business by our state laws, and if a majority of voters now prohibit the traffic those engaged in it ought to have time to readjust their financial affairs to conform to the law. This provision gives opportunity for laborers employed in the business to seek employment in other lines, or in the business reconstructed for the purpose of making a legitimate use of wine grapes. It also provides time for municipalities whose budgets have been based upon license fees to rearrange their budgets.

The concession is not made because of any legal rights, but in the interest of fair dealing and to make the loss inherent in a change of state policy as light as possible. It ought to command the support of every voter, whether in favor of prohibition or against it, as it is non-effective unless the prohibitory amendment carries.

The mere statement of the case is all the argument that is needed for this amendment. There is no prohibition in it. F. M. LARKIN.

ARGUMENT AGAINST SUSPENSION OF PROHIBITION AMENDMENT.

The second proposed amendment, extending the time when prohibition is to take effect, simply serves to begot the original issue, which original issue is prohibition with its attendant evil effects on the people at large, among such evils being that it tends to make hypocrites, falsifiers, law-breakers, cowards, and also destroys self-respect.

Additional thereto, it destroys personal property and greatly lessens the value of real property; all without recompense therefor. It is condemnatory in character, and the rule is that there can be no condemnation without just compensation, which compensation prohibition denies. Such denial seems to verge on fanaticism.

The issue involved is simply one of prohibition with its attendant evils of confiscation and injury to our prosperity, on the one side, and maintenance of honesty, temperance, self-respect, liberty of thought and action and prosperity on the other.

If confiscation is right, why delay it?

Let the intelligent voter read and ponder.

C. F. A. LAST.

ONE DAY OF REST IN SEVEN.

Initiative act prohibiting, except in cases of urgent emergency, the working for wages, or requiring or employing any person to work, more than six days or forty-eight hours a week, the keeping or operating certain places of business or selling property on Sunday; declares Sunday provisions of act inapplicable to works of necessity, or to member of religious society which observes another day as day of worship and who on such day keeps his place of business closed and does not work for gain; declares violation of act misdemeanor and prescribes penalties.

The electors of the State of California present to the secretary of state this petition, and request that the proposed law, hereinafter set forth, be submitted to the people of the State of California for their approval or rejection at the next ensuing general election, as provided by the Constitution of the State of California.

An act to provide for one day in seven as a day of rest.

The people of the State of California do enact as follows:

Section 1. Definition and construction. In this act, unless the context otherwise requires:

(a) The word "day" means twenty-four consecutive hours, the word "Sunday" means the period of time which begins at 12 o'clock p. m. on Saturday night and ends at 12 o'clock p. m. on the following night, and other words and terms used have the same meaning as defined in the codes of California.

(b) A contract to perform a lawful act, though made on Sunday, is valid, but a contract rendered void by unlawful action on Sunday can not be made valid by subsequent action.

Section 2. It is unlawful for any person, firm, association or corporation in this state, or for any officer or employee of the State of California, or of any political subdivision thereof, to violate any of the following provisions:

(1) To hire, employ or require any employee, rentice, servant or other person or persons to work at or engage in any trade, business, profession or occupation for more than six days in any calendar week of seven days.

(2) To work at or to engage in any said trade, business, profession or occupation for wages for more than six days in any calendar week of seven days.

(3) To keep open on Sunday for the purpose of transacting any business or labor, any store, office, shop, building, or place of business where goods, wares, merchandise or property is sold or offered for sale; or to sell or offer for sale any goods, wares, merchandise or property on said day.

(4) To keep open or operate on Sunday for profit any mill, mine, factory, bake-house, barber shop, work-shop, studio, or any such or similar place of business or occupation which is managed by or employs either skilled or unskilled labor, or both; provided, however, that the above provisions of this section do not apply to unavoidable work in caring for live animals, or to cases of urgent emergency. Immediate danger to life, property, public safety, or public health only shall be considered cases of urgent emergency within the meaning of this act. And, provided, that the above sub-sections numbered (1) and (2) do not apply to any person whose total hours of labor during seven consecutive days do not exceed forty-eight hours; and, provided further, that the above sub-sections numbered (3) and (4) do not apply to works of daily necessity. It is hereby declared that said works of necessity within the meaning of this act include the following, but not so as to restrict the ordinary meaning of the expression "works of necessity":

(a) Work essential to the relief of sickness and suffering, including the sale of drugs, medi-

cines, or surgical appliances by retail for strictly medicinal purposes;

(b) Furnishing lodging or meals at hotels, boarding houses, restaurants, lunch stands, cafes, and work incidental thereto;

(c) Ice cream parlors;

(d) Parks, bath houses, libraries, museums, or art galleries;

(e) Sports, theaters and amusements;

(f) Setting sponges in bakeries;

(g) The sale and delivery of daily newspapers and magazines, or the necessary work in the preparation of the Sunday or Monday morning edition of a daily newspaper;

(h) The sale and delivery of milk, or cream, and unavoidable work in making cheese or butter, and in any manufacturing plant or industry, or industrial process of such a continuous nature that it cannot be stopped without serious injury to said plant, industry or its product or property used in such process;

(i) Unavoidable work essential to the protection of mines, property or perishable products in imminent danger of destruction or serious injury, and to utilizing water power necessary to prevent serious injury or loss in hydraulic mining or other industries where the water supply is not continuous throughout the year;

(j) Any work which is necessary to the continuous supply of electric current, light, heat, air, water, gas or motive power; to operating vessels, vehicles, livery stables, garages, railroads or any other transportation lines in this state; to telegraph and telephone service; and to any such public utility which the public welfare requires should be kept in daily operation;

(k) Any work which the railroad commission of this state, having due regard to the object of this act, to provide one day of rest in seven, deems necessary to permit in connection with the traffic or conduct of any railway or of any other public utility within the jurisdiction of said railroad commission, including the permitting of two days of rest to fall at any time within a period of fourteen consecutive days; provided, however, that said employee, apprentice, servant, or other person engaged in works of necessity as above provided for in sub-sections lettered (a) to (k) inclusive, shall not be hired, employed or required to work more than six days in seven, except as provided for in this act, but the day of rest may fall upon parts of two calendar days. And provided, further, that the above sub-sections numbered (3) and (4) do not apply to any person who is a member of a religious society which observes some other day than Sunday as its day of worship, and who actually keeps his place of business or occupation closed and does not work for gain or wages upon said day of worship.

Section 3. Any person, firm, association or corporation, or any officer or employee of the State of California, or of any political subdivision thereof, that violates any provision of this act, is guilty of a misdemeanor, and, upon conviction thereof, said offender shall be fined not less than ten dollars nor more than two hundred dollars, or be imprisoned in the county jail not to exceed thirty days, and, upon each subsequent conviction, both said fine and imprisonment shall be imposed; except, however,

in case of corporations, the imprisonment, when imposed, shall be imposed upon all officers or agents thereof in this state committing such offense or causing the same to be committed.

Section 4. The commissioner of the bureau of labor statistics and his deputies, are hereby authorized, empowered and directed to enforce the provisions of this act. And it is also hereby declared to be the special duty of each magistrate, district attorney and peace officer in this state to inform against and diligently prosecute any and all persons guilty of the violation of any provision of this act, either upon credible information as to any such violation, or upon reasonable cause to believe that there has been any such violation.

Section 5. Nothing in this act shall be construed to repeal or limit an act entitled "An act limiting the hours of labor of females," etc., approved March 22, 1911; or to limit the powers of municipal or county governments, not in conflict herewith.

ARGUMENT IN FAVOR OF ONE DAY OF REST IN SEVEN.

It is against the law of nature that man should work all the time, yet many men are compelled to do so against their will. Continuous labor makes of man a beast of burden, a slave to toil. Six-day laborers do more and better work and live longer, happier lives than seven-day toilers. One day of rest per week increases the efficiency of labor and the wage therefor. A mine owner has said, "We can afford to pay 25 per cent higher wages for a six-day than a seven-day laborer." Unfortunately all employers have not discovered that fact. One day's rest in seven works to the advantage of employers. Fatigue is one of the chief causes of accidents on transportation lines and in the industries. "Safety first" is now the slogan. Employers' liabilities will be diminished and the traveling public protected.

This bill provides for one day's rest in seven for all employees engaged in the continuous industries and for both employer and employee in all lines of business which can stop on one specified day. It applies to state, city and private employees. It is neither a religious measure nor a "blue law." No one would contend for a moment that religious or "blue laws" are enforced in any state on the Pacific slope or elsewhere in the United States to-day, and yet every state in the union, except California, and every civilized nation on the globe, sets aside Sunday as a common rest day, and none has been so bold as to claim that in so doing religious or blue laws are being forced upon the people.

This proposed law is probably the most liberal of any to be found on the statute books. It will not interfere with sports and amusements. They are left to local control. It will not interfere with any church or religion. It allows the Jew or Seventh Day Adventist to rest on Saturday and work the other six days of the week. It will not interfere with such industries as transportation lines, telegraph or telephone systems, electric light, gas and water plants; making of cheese and butter, caring for perishable fruits and other products; irrigation and work in industrial plants which require daily operation; daily newspapers and ice cream parlors; hotels, restaurants and boarding houses; sale of drugs and caring for the sick; sale and delivery of milk and cream. But while such businesses and industries may be kept in constant operation, each employee is to have one day off in seven, except in case of emergencies. The law will not limit the number of hours on the work days.

It is not an infringement upon but a grant of personal liberty. Men do not want the liberty to be compelled to work all the time; they do want the liberty to rest one day in seven. The right of rest for each requires a law of rest for all.

Eighty-four

The bill gives one day's rest to employers in mercantile and other industries which can stop one day in the week. Why should they not have it? Proprietors need rest more than their clerks in this strenuous age of close competition. The saloon keeper as well as the grocer is entitled to this holiday. It can be secured only by means of a law which closes all places of the same line of business on the same day.

Every voter who believes in a weekly home day for wage earners and brain-tired business men will cast a ballot for the initiative act for one day of rest in seven.

WILLIAM KEHOE,
State Senator First District.

ARGUMENT AGAINST ONE DAY OF REST IN SEVEN.

This proposed law discriminates in favor of those sects that observe Sunday as a day of rest and religious worship, by selecting and establishing it, by law, as the day of rest, and enforcing it upon the people under severe penalties of fines and imprisonment; while those who would observe another day are merely permitted to do so, under prescribed conditions, limitations, and restrictions.

This is a violation of the Constitution of the State of California, which declares that "the free exercise and enjoyment of religious profession and worship, without discrimination or preference, shall forever be guaranteed in this state." (Art. I, Sec. 4, Constitution of California.) "The enforced observance of a day, held sacred by one of the sects, is a discrimination in favor of that sect and a violation of the freedom of the others." (Vol. 9, page 592, California Reports.)

This proposed law is an unwarranted interference with individual rights and personal liberty. "A man's constitutional liberty means more than his personal freedom. It means, with many other rights, his right freely to labor, and to own the fruit of his toil. * * * It is a curious law for the protection of labor which punishes the laborer for working. Such protection to labor, carried a little further, would send him from the jail to the poor house." (Vol. 112, page 468, California Reports.)

The right of one person or class to choose their time of labor and rest establishes the right of every person, and of any class, to a like choice. This proposed law denies equal rights. It grants the right of choice to those who choose to labor, or employ labor, eight hours in one day, forty-eight hours in one week; but denies this right of choice to those who wish to labor or employ labor forty-eight hours and a few minutes in one week. It not only denies the right of choice, but imposes grievous penalties of fines and imprisonment upon those who shall attempt to exercise this natural liberty. Such a law would be a vicious menace to society. It would declare good citizens to be criminals because they sold something on the first day of the week, or because they had labored, or employed labor, for hire, a few minutes over forty-eight hours in one week. Their reasons not being accepted by the zealous prosecutors of the law, they would be in the power of the blackmailer or the jailer most of the time.

This proposed law places all citizens on a level with the wards and convicts of the state, deprived of the liberty to choose their own time for work and rest.

The state has no more right to say when free citizens shall work, or rest, than it has to fix, by law, a time for them to eat and sleep. For the state to deny its free citizens the personal right to determine the use of their own time is to treat them as slaves.

W. MATHEW HEALEY.

CITY AND COUNTY CONSOLIDATION, AND ANNEXATION WITH CONSENT OF ANNEXED TERRITORY.

(Proposed by San Francisco and Los Angeles.)

Initiative amendment to section 8½ of article XI of constitution. Present section unchanged except to authorize chartered cities to establish municipal courts and control appointments, qualifications and tenure of municipal officers and employees; authorizes cities exceeding 175,000 population to consolidate under charter and to annex any contiguous territory, but only upon consent of such territory and of county from which such territory is taken: prescribes procedure for consolidation and annexation.

The electors of the State of California present to the secretary of state this initiative petition asking that the Constitution of the State of California be amended as hereinafter set forth, and the following amendment to said constitution be submitted to the electors of the State of California, for their approval or rejection, at the general election to be held in the month of November, 1914.

That section eight and one-half of article eleven of the Constitution of the State of California, relating to the powers conferred on cities, and cities and counties, by the adoption of charters, or amendments thereof, be amended so as to provide for the extension of such powers, the consolidation of city and county governments, the annexation of territory thereto, and the assumption of bonded indebtedness by territory annexed to or consolidated with an incorporated city or city and county, and to read as follows:

PROPOSED LAW.

Section 8½. It shall be competent, in all charters framed under the authority given by section eight of this article to provide, in addition to those provisions allowable by this constitution and by the laws of the state, as follows:

1. For the constitution, regulation, government, and jurisdiction of police courts, and for the manner in which, the times at which, and the terms for which the judges of such courts shall be elected or appointed, and for the qualifications and compensation of said judges and of their clerks and attaches; and for the establishment, constitution, regulation, government and jurisdiction of municipal courts with such civil and criminal jurisdiction as by law may be conferred upon inferior courts; and for the manner in which, the times at which, and the terms for which the judges of such courts shall be elected or appointed, and for the qualifications and compensation of said judges and of their clerks and attaches; provided such municipal courts shall never be deprived of the jurisdiction given inferior courts created by general law.

In any city or any city and county, when such municipal court has been established, there shall be no other court inferior to the superior court; and pending actions, trials, and all pending business of inferior courts within the territory of such city or city and county, upon the establishment of any such municipal court, shall be and become pending in such municipal court, and all records of such inferior courts shall thereupon be and become the records of such municipal court.

2. For the manner in which, the times at which, and the terms for which the members of boards of education shall be elected or appointed, for their qualifications, compensation and removal, and for the number which shall constitute any one of such boards.

3. For the manner in which, the times at which, and the terms for which the members of the boards of police commissioners shall be elected or appointed; and for the constitution, regulation, compensation, and government of such boards and of the municipal police force.

4. For the manner in which and the times at which any municipal election shall be held and the result thereof determined: for the manner in which, the times at which, and the terms for which the members of all boards of election shall be elected or appointed, and for the constitution, regulation, compensation and government of such boards, and of their clerks and attaches, and for all expenses incident to the holding of any election.

It shall be competent in any charter framed in accordance with the provisions of this section, or section eight of this article, for any city or consolidated city and county, and plenary authority is hereby granted, subject only to the restrictions of this article, to provide therein or by amendment thereto, the manner in which, the method by which, the times at which, and the terms for which the several county and municipal officers and employees whose compensation is paid by such city or city and county, excepting judges of the superior court, shall be elected or appointed, and for their recall and removal, and for their compensation, and for the number of deputies, clerks and other employees that each shall have, and for the compensation, method of appointment, qualifications, tenure of office and removal of such deputies, clerks and other employees. All provisions of any charter of any such city or consolidated city and county, heretofore adopted, and amendments thereto, which are in accordance herewith, are hereby confirmed and declared valid.

5. It shall be competent in any charter or amendment thereof, which shall hereafter be framed under the authority given by section eight of this article, by any city having a population in excess of 175,000 ascertained as prescribed by said section eight, to provide for the separation of said city from the county of which it has theretofore been a part and the formation of said city into a consolidated city and county to be governed by such charter, and to have the combined powers of a city and county, as provided in this constitution for consolidated city and county government, and further to prescribe in said charter the date for the beginning of the official existence of said consolidated city and county.

It shall also be competent for any such city, not having already consolidated as a city and county to hereafter frame, in the manner prescribed in section eight of this article, a charter providing for a city and county government, in which charter there shall be prescribed territorial boundaries which may include contiguous territory not included in such city, which territory, however, must be included in the county within which such city is located.

If no additional territory is proposed to be added, then, upon the consent to the separation of any such city from the county in which it is located, being given by a majority of the qualified electors voting thereon in such county and upon the ratification of such charter by a majority of the qualified electors voting thereon in

such city, and the approval thereof by the legislature, as prescribed in section eight of this article, said charter shall be deemed adopted and upon the date fixed therein said city shall be and become a consolidated city and county.

If additional territory which consists wholly of only one incorporated city or town, or which consists wholly of unincorporated territory, is proposed to be added, then, upon the consent to such separation of such territory and of the city initiating the consolidation proposal being given by a majority of the qualified electors voting thereon in the county in which the city proposing such separation is located, and upon the ratification of such charter by a majority of the qualified electors voting thereon in such city so proposing the separation, and also upon the approval of the proposal hereinafter set forth, by a majority of the qualified electors voting thereon in the whole of such additional territory, and the approval of said charter by the legislature, as prescribed in section eight of this article, said charter shall be deemed adopted, the indebtedness hereinafter referred to shall be deemed to have been assumed, and upon the date fixed in said charter such territory and such city shall be and become one consolidated city and county.

The proposal to be submitted to the territory proposed to be added shall be substantially in the following form and submitted as one indivisible question:

"Shall the territory (herein designate in general terms the territory to be added) consolidate with the city of (herein insert name of the city initiating the proposition to form a city and county government) in a consolidated city and county government, and shall the charter as prepared by the city of (herein insert the name of the city initiating such proposition) be adopted as the charter of the consolidated city and county, and shall the said added territory become subject to taxation along with the entire territory of the proposed city and county, in accordance with the assessable valuation of the property of the said territory, for the following indebtedness of said city (herein insert name of the city initiating such proposition) to-wit: (herein insert in general terms reference to any debts to be assumed, and if none insert 'none')."

If additional territory is proposed to be added, which includes unincorporated territory and one or more incorporated cities or towns, or which includes more than one incorporated city or town, the consent of any such incorporated city or town shall be obtained by a majority vote of the qualified electors thereof voting upon a proposal substantially as follows:

"Shall (herein insert the name of the city or town to be included in such additional territory) be included in a district to be hereafter defined by the city of (herein insert the name of the city initiating the proposition to form a city and county government) which district shall, within two years from the date of this election, vote upon a proposal submitted as one indivisible question that such district to be then described and set forth shall consolidate with (herein insert name of the city initiating said consolidation proposition) in a consolidated city and county government, and also that a certain charter, to be prepared by the city of (herein insert name of the city initiating such proposition) be adopted as the charter of such consolidated city and county, and that such district become subject to taxation along with the entire territory of the proposed city and county in accordance with the assessable valuation of the property of said district for the following indebtedness of said city of (herein insert name of the city initiating such proposition) to-wit: (herein insert in general terms, reference to any debts to be assumed and if none insert 'none')."

Any and all incorporated cities or towns to which the foregoing proposal shall have been submitted and a majority of whose qualified electors voting thereon shall have voted in favor thereof, together with such unincorporated territory as the city initiating such consolidation proposal may desire to have included, the whole to form an area contiguous to said city, shall be created into a district by such city, and the proposal substantially as above prescribed to be used when the territory proposed to be added consists wholly of only one incorporated city or town, or wholly of unincorporated territory, shall, within two years, be submitted to the voters of said entire district as one indivisible question.

Upon consent to the separation of such district and of the city initiating the consolidation proposal being given by a majority of the qualified electors voting thereon in the county in which the city proposing such separation is located, and

upon the ratification of such charter by a majority of the qualified electors voting thereon in such city, and upon the approval of the proposal hereinafter set forth by a majority of the qualified electors voting thereon in the whole of said district so proposed to be added, and upon the approval of said charter by the legislature, as prescribed in section eight of this article, said charter shall be deemed adopted, the said indebtedness referred to in said proposal shall be deemed to have been assumed, and upon the date fixed in said charter, such district and such city shall be and become one consolidated city and county.

6. It shall be competent for any consolidated city and county now existing, or which shall hereafter be organized, to annex territory contiguous to such consolidated city and county, unincorporated or otherwise, whether situate wholly in one county, or parts thereof be situate in different counties, said annexed territory to be an integral part of such city and county.

If additional territory, which consists wholly of only one incorporated city, city and county or town, or which consists wholly of unincorporated territory, is proposed to be annexed to any consolidated city and county now existing or which shall hereafter be organized, then, upon the consent to any such annexation being given by a majority of the qualified electors voting thereon in any county or counties in which any such additional territory is located, and upon the approval of such annexation proposal by a majority of the qualified electors voting thereon in such city and county, and also upon the approval of the proposal hereinafter set forth by a majority of the qualified electors voting thereon in the whole of such territory proposed to be annexed, the indebtedness hereinafter referred to shall be deemed to have been assumed, and at the time stated in such proposal, such additional territory and such city and county shall be and become one consolidated city and county, to be governed by the charter of the city and county proposing such annexation, and any subsequent amendment thereto.

The proposal to be submitted to the territory proposed to be annexed, shall be substantially in the following form and submitted as one indivisible question:

"Shall the territory (herein designate in general terms territory to be annexed) consolidate with the city and county of (herein insert the name of the city and county initiating the annexation proposal) in a consolidated city and county government, said consolidation to take effect (herein insert date when such consolidation shall take effect) and shall the said annexed territory become subject to taxation, as an integral part of the city and county so formed, in accordance with the assessable valuation of property of said territory for the following indebtedness of said city and county of (herein insert name of the city and county) to-wit: (herein insert in general terms, reference to any debts to be assumed and if none insert 'none')."

If additional territory including unincorporated territory and one or more incorporated cities, cities and counties, or towns, or including more than one incorporated city, city and county, or town, is proposed to be annexed to any consolidated city and county now existing or which shall hereafter be organized, the consent of each such incorporated city, city and county, or town, shall be obtained by a majority vote of the qualified electors of any such incorporated city, city and county, or town, upon a proposal substantially as follows:

"Shall (herein insert name of the city, city and county, or town, to be included in such annexed territory) be included in a district to be hereafter defined by the city and county of (herein insert the name of the city and county initiating the annexation proposal) which district shall within two years from the date of this election vote upon a proposal submitted as one indivisible question, that such district to be then described and set forth shall consolidate with (herein insert name of the city and county initiating the annexation proposal) in a consolidated city and county government, and that such district become subject to taxation, along with the entire territory of the proposed city and county in accordance with the assessable valuation of the property of said district for the following indebtedness of said city and county of (herein insert name of the city and county initiating the annexation proposal) to-wit: (herein insert in general terms, reference to any debts to be assumed and if none insert 'none')."

Any and all incorporated cities, cities and counties, or

towns, to which the foregoing proposal shall have been submitted, and a majority of whose qualified electors voting thereon shall have voted in favor thereof, together with such unincorporated territory as the city and county initiating such annexation proposal may desire to have included, the whole shall form an area contiguous to said city and county, shall be created into a district by said city and county, and the proposal substantially in the form above set forth to be used when the territory proposed to be added consists wholly of only one unincorporated city, city and county, or town, or wholly of unincorporated territory, shall, within said two years, be submitted to the voters of said entire district as one indivisible question.

Upon consent to any such annexation being given by a majority of the qualified electors voting thereon in any county or counties in which any such territory proposed to be annexed to said city and county is located, and upon the approval of any such annexation proposal by a majority of the qualified electors voting thereon in such city and county proposing such annexation, and also upon the approval of the proposal hereinbefore set forth by a majority of the qualified electors voting thereon in the whole of the district so proposed to be annexed, then, the said indebtedness referred to in said proposal shall be deemed to have been assumed, and upon the date stated in such annexation proposal such district and such city and county shall be and become one consolidated city and county, to be governed by the charter of the city and county proposing such annexation, and any subsequent amendment thereto.

Whenever any proposal is submitted to the electors of any county, territory, district, city, city and county, or town, as above provided, there shall be published, for at least five successive publications in a newspaper of general circulation printed and published in any such county, territory, district, city, city and county, or town, the last publication to be not less than twenty days prior to any such election, a particular description of any territory or district to be separated, added, or annexed, together with a particular description of any debts to be assumed, as above referred to, unless such particular description is contained in the said proposal so submitted. In addition to said description, such territory shall also be designated in such notice by some appropriate name or other words of identification, by which such territory may be referred to and indicated upon the ballots to be used at any election at which the question of annexation or consolidation of additional territory is submitted as herein provided. If there be no such newspaper so printed and published in any such county, territory, district, city, city and county, or town, then such publication may be made in any newspaper of general circulation printed and published in the nearest county, city, city and county, or town where there may be such a newspaper so printed and published.

If, by the adoption of any charter, or by annexation, any incorporated municipality becomes a portion of a city and county, its property, debts and liabilities of every description shall be and become the property, debts and liabilities of such city and county.

Every city and county which shall be formed, or the territory of which shall be enlarged as herein provided from territory taken from any county or counties, shall be liable for a just proportion of the debts and liabilities and be entitled to a just proportion of the property and assets of such county or counties, existing at the time such territory is so taken.

The provisions of this constitution applicable to cities, and cities and counties, and also those applicable to counties, so far as not inconsistent or prohibited to cities, or cities and counties, shall be applicable to such consolidated city and county government; and no provision of subdivisions 5 or 6 of this section shall be construed as a restriction upon the plenary authority of any city or city and county having a freeholders' charter, as provided for in this constitution, to determine in said charter any and all matters elsewhere in this constitution authorized and not inconsistent herewith.

The legislature shall provide for the formation of one or more counties from the portion or portions of a county or counties remaining after the formation of or annexation to a consolidated city and county, or for the transfer of such portion or portions of such original county or counties to adjoining counties. But such transfer to an adjoining county shall only be made after approval by a majority vote of the qualified

electors voting thereon in such territory proposed to be so transferred.

The provisions of section two of this article, and also those provisions of section three of this article which refer to the passing of any county line within five miles of the exterior boundary of a city or town in which a county seat of any county proposed to be divided is situated, shall not apply to the formation of, nor to the extension of the territory of such consolidated cities and counties, nor to the formation of new counties, nor to the annexation of existing counties, as herein specified.

Any city and county formed under this section shall have the right, if it so desires, to be designated by the official name of the city initiating the consolidation as it existed immediately prior to its adoption of a charter providing for a consolidated city and county government, except that such city and county shall be known under the style of a city and county.

It shall be competent in any charter framed for a consolidated city and county, or by amendment thereof, to provide for the establishment of a borough system of government for the whole or any part of the territory of said city and county, by which one or more districts may be created therein, which districts shall be known as boroughs and which shall exercise such municipal powers as may be granted thereto by such charter, and for the organization, regulation, government and jurisdiction of such boroughs.

No property in any territory hereafter consolidated with or annexed to any city or city and county shall be taxed for the payment of any indebtedness of such city or city and county outstanding at the date of such consolidation or annexation and for the payment of which the property in such territory was not, prior to such consolidation or annexation, subject to such taxation, unless there shall have been submitted to the qualified electors of such territory the proposition regarding the assumption of indebtedness as hereinbefore set forth and the same shall have been approved by a majority of such electors voting thereon.

7. In all cases of annexation of unincorporated territory to an incorporated city, or the consolidation of two or more unincorporated cities, assumption of existing bonded indebtedness by such unincorporated territory or by either of the cities so consolidating may be made by a majority vote of the qualified electors voting thereon in the territory or city which shall assume an existing bonded indebtedness. This provision shall apply whether annexation or consolidation is effected under this section or any other section of this constitution, and the provisions of section eighteen of this article shall not be a prohibition thereof.

The legislature shall enact such general laws as may be necessary to carry out the provisions of this section and such general or special laws as may be necessary to carry out the provisions of subdivisions 5 and 6 of this section, including any such general or special act as may be necessary to permit a consolidated city and county to submit a new charter to take effect at the time that any consolidation, by reason of annexation to such consolidated city and county, takes effect, and also, any such general law or special act as may be necessary to provide for any period after such consolidation, by reason of such annexation, takes effect, and prior to the adoption and approval of any such new charter.

Section 83, article XI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 83. It shall be competent, in all charters framed under the authority given by section eight of article eleven of this constitution, to provide, in addition to those provisions allowable by this constitution and by the laws of the state, as follows:

1. For the constitution, regulation, government, and jurisdiction of police courts, and for the manner in which, the times at which, and the terms for which the judges of such courts shall be elected or appointed, and for the qualifications and compensation of said judges and of their clerks and attaches.

2. For the manner in which, the times at which, and the terms for which the members of boards of education shall be elected or appointed, for their qualifications, compensation and re-

moval, and for the number which shall constitute any one of such boards.

3. For the manner in which, the times at which, and the terms for which the members of the boards of police commissioners shall be elected or appointed, and for the constitution, regulation, compensation, and government of such boards and of the municipal police force.

4. For the manner in which and the times at which any municipal election shall be held and the result thereof determined; for the manner in which, the times at which, and the terms for which the members of all boards of election shall be elected or appointed, and for the constitution, regulation, compensation and government of such boards, and of their clerks and attaches; and for all expenses incident to the holding of any election.

Where a city and county government has been merged and consolidated into one municipal government, it shall also be competent, in any charter framed under said section eight of said article eleven, or by amendment thereto, to provide for the manner in which, the times at which and the terms for which the several county and municipal officers and employees whose compensation is paid by such city and county, excepting judges of the superior court, shall be elected or appointed, and for their recall and removal, and for their compensation, and for the number of deputies, clerks and other employees that each shall have, and for the compensation, method of appointment, qualifications, tenure of office and removal of such deputies, clerks and other employees. All provisions of any charter of any such consolidated city and county heretofore adopted, and amendments thereto, which are in accordance herewith, are hereby confirmed and declared valid.

ARGUMENT IN FAVOR OF CITY AND COUNTY CONSOLIDATION.

The city attorneys of Oakland, Los Angeles and San Francisco, upon the request of Los Angeles, met some months ago and in conjunction worked upon the form of an amendment to the state constitution which would facilitate the establishment and extension of consolidated city and county governments.

Two points arose upon which all three attorneys, acting upon advice of their respective cities, were unable to agree, with the result that there now appear on the ballot two proposed amendments treating of this subject. One was placed there by San Francisco and Los Angeles, the other by Oakland. The two are exactly the same except in two instances. Now, instead of co-operation and agreement between these three cities, which it was the original intention and desire to secure, and which in this time of the Panama-Pacific International Exposition is most necessary and desirable, the division on the advocacy of these two so nearly alike amendments appears to be stirring up internal strife and prejudice.

In order that this may be effectually and certainly avoided, San Francisco, through its board of directors and chamber of commerce, and Los Angeles, through its city council and chamber of commerce, have withdrawn their support from the amendment proposed by San Francisco and Los Angeles and give support, instead, to the amendment proposed by Oakland.

As above indicated a comparison of the two will show but two differences: which two relate to territorial limits of consolidated cities and counties and to the required population for a city and county consolidation.

The following analysis will be helpful to an understanding of the proposed amendments, and we desire the reader to note the distinct advantages therein provided for all charter cities in the state, and not alone to consolidated cities and counties.

Subdivision 1 of this section of the present constitution remains unchanged. There is added a provision for municipal courts. This is a benefit

running to all charter cities in the state. This provision enables these cities to form municipal courts to take the place of the present justice, police and all other inferior courts. Municipal courts have proven very successful in eastern cities, and our California cities should have the power to establish them, provided the electors so desire.

Subdivisions 2 and 3 of the present section remain unchanged.

Subdivision 4 is identical with the present subdivision, except that it is worded to make it certain that all cities as well as consolidated cities and counties shall have the right to provide in their charters for the election, terms of office, compensation and removal of their officials and employees.

Subdivisions 5, 6, and 7 are new, and provide a method for the creation of consolidated city and county governments, and adding or annexing territory to cities or cities and counties.

The amendment was most carefully drawn on this point so as to be absolutely fair in its terms. Every precaution was taken to make any injustice impossible. That this purpose was attained is seen from the following:

1. No incorporated city can be included in or annexed to any consolidated city and county except by consent of a majority vote in such incorporated city, voting as a separate city.

2. No unincorporated territory can be included in or annexed to any consolidated city and county except by consent of a majority of the electors of the entire outside district voting as a separate district.

3. No city or unincorporated territory can form itself into a consolidated city and county without the consent of a majority of the electors of the entire county. Thus, the counties as well as the municipalities of the state are safeguarded.

4. No property in any such city to be so consolidated or annexed can be subject to any taxation for an existing indebtedness of any city so proposing consolidation or annexation, unless a majority of the electors in the city so consolidated or annexed give their consent. Nor can any unincorporated territory be so taxed, unless like consent is obtained from a majority of the electors of the entire outside district.

5. A majority vote is substituted instead of the present two-thirds vote requirement, as to the assumption of indebtedness at the time of annexing territory to a city. If a majority of the electors of any territory desire to annex their territory to an adjacent city and have the territory assume its just share of the city's indebtedness, they certainly should have the right to do so.

6. On any change in county lines it is provided that there must be a just and fair arrangement between any counties affected, with reference to the assets and liabilities of such counties.

7. Only contiguous territory can be added.

8. If any incorporated city becomes a portion of a city and county, the city and county assumes all the indebtedness of such incorporated city, and acquires the assets of said city.

9. Since the situation may be very different in different parts of the state, requiring, for instance, one plan in Oakland, another in San Francisco, and still another in Los Angeles, it is provided that the legislature may pass special acts to meet the peculiar conditions in each instance.

10. The legislature is authorized to provide for the formation of one or more counties from any portion of a county remaining after such consolidation, or for the transfer of such portions to adjoining counties. But no territory can be so transferred to adjoining counties without the consent of its electors.

11. Any outlying district with a fixed identity upon joining in a consolidated city and county government may retain its name, identity and local regulation under the borough system.

12. When a city reaches a point in population which gives rise to complicated questions of government, among them being water supply, sanitary regulation, harbor and rail terminal problems, and others of commercial nature need of a local government especially form, with these difficulties in mind is presented.

J. S. CONWELL.

President Efficiency Commission of Los Angeles

ARGUMENT AGAINST SAN FRANCISCO-LOS ANGELES AMENDMENT.

The so-called San Francisco amendment to section 8½ of article XI of the Constitution of the State of California should be defeated, because—

Since filing the initiative petition with the secretary of state, the supervisors of the city and county of San Francisco have passed resolutions rejecting or abandoning their amendment and supporting what is now known as the "Oakland amendment," practically as originally proposed by the representatives of Los Angeles. The city of Los Angeles, through its city council and commercial organizations, has also concurred in the Oakland amendment as a substitute, which is submitted to the voters of the state for their approval.

Both San Francisco and Los Angeles have joined in support of the Oakland amendment because it is fair and just to all sections of the state, as it permits Los Angeles to form a consolidated city and county government, and enables San Francisco to expand down the peninsula, which is manifestly just and logical. It also permits other cities having a population of 50,000 or more to form consolidated city and county governments.

The fact that San Francisco has abandoned the amendment proposed jointly by that city and Los Angeles, and has agreed to support the Oakland substitute, leaves little to be said in argument against the original amendment. The Oakland substitute amendment was shaped to meet the conditions applicable to all three of the cities and at the same time to allow San Francisco all that it claimed to want—the right to extend

down the peninsula by taking in territory that was originally a part of the county of San Francisco at the time the city and county was organized, which territory, with portions from Santa Cruz county, became a part of the county of San Mateo. The city of Oakland at no time had the disposition to hamper San Francisco's natural expansion by land. Oakland's opposition was to annexation across the bay of territory that had separate interests and desired to retain its individual initiative in municipal matters. Furthermore, Oakland and the east bay cities objected to being subjected to the taxing powers of the city of San Francisco or to be made participants in carrying its burden of bonded indebtedness. It was for this reason that Oakland declined to co-operate with San Francisco and Los Angeles on an amendment permitting annexation in any direction across county lines.

But assuming that the San Francisco plan of annexing territory should prevail, its most dangerous feature lies in the fact that it is designed in the interest of that city alone and is therefore "special legislation." San Francisco being the only city in the state that desires unlimited permission to annex territory across the county lines of at least four counties. This we believe is unreasonable and against the best interests of the state.

Oakland wants to be left alone to develop her own great resources in her own way. She has a great harbor to develop and she does not wish to lose control of it or to become a minority stockholder in a greater political corporation. She wishes to retain both her individuality and her independence, and she does not feel warranted in turning over to San Francisco those civic questions which concern her future development and prosperity.

W. E. Gibson.

CONSOLIDATION OF CITY AND COUNTY, AND LIMITED ANNEXATION OF CONTIGUOUS TERRITORY.

(Proposed by city of Oakland.)

Initiative amendment to section 8½ of article XI of constitution. Present section unchanged except to authorize chartered cities to establish municipal courts, and control appointments, qualifications and tenure of municipal officers and employees; authorizes cities exceeding 50,000 population to consolidate and annex only contiguous territory included within county from which annexing territory was formed on consolidation, or concurrently or subsequently added to territory excluded from original consolidated territory; requires consent of annexed territory and of county from which taken; prescribes procedure for consolidation and annexation.

The electors of the State of California present to the secretary of state this initiative petition asking that the Constitution of the State of California be amended as hereinafter set forth, and the following amendment to said constitution be submitted to the electors of the State of California for their approval or rejection, at the general election to be held in the month of November, 1914.

That section eight and one half of article eleven of the Constitution of the State of California, relating to the powers conferred on cities, and cities and counties, by the adoption of charters, or amendments thereof, be amended so as to provide for the extension of such powers, the consolidation of city and county governments, the annexation of territory thereto, and the assumption of bonded indebtedness by territory annexed to or consolidated with an incorporated city or city and county, and to read as follows:

PROPOSED LAW.

Section 8½. It shall be competent, in all charters framed under the authority given by section eight of this article to provide, in addition to those provisions allowable by this constitution and by the laws of the state as follows:

1. For the constitution, regulation, government, and jurisdiction of police courts, and for the manner in which, the times at which, and the terms for which the judges of such courts shall

be elected or appointed, and for the qualifications and compensation of said judges and of their clerks and attaches; and for the establishment, constitution, regulation, government and jurisdiction of municipal courts, with such civil and criminal jurisdiction as by law may be conferred upon inferior courts; and for the manner in which, the times at which, and the terms for which the judges of such courts shall be elected or appointed, and for the qualifications and compensation of said judges and of their clerks and attaches; provided such municipal courts shall never be deprived of the jurisdiction given inferior courts created by general law.

In any city or any city and county, when such municipal court has been established, there shall be no other court inferior to the superior court; and pending actions, trials, and all pending business of inferior courts within the territory of such city or city and county, upon the establishment of any such municipal court, shall be and become pending in such municipal court, and all records of such inferior courts shall thereupon be and become the records of such municipal court.

2. For the manner in which, the times at which, and the terms for which the members of boards of education shall be elected or appointed, for their qualifications, compensation and removal, and for the number which shall constitute any one of such boards.

3. For the manner in which, the times at which, and the terms for which the members of the

boards of police commissioners shall be elected or appointed; and for the constitution, regulation, compensation, and government of such boards and of the municipal police force.

4. For the manner in which and the times at which any municipal election shall be held and the result thereof determined; for the manner in which, the times at which, and the terms for which the members of all boards of election shall be elected or appointed, and for the constitution, regulation, compensation and government of such boards, and of their clerks and attaches, and for all expenses incident to the holding of any election.

It shall be competent in any charter framed in accordance with the provisions of this section, or section eight of this article, for any city or consolidated city and county, and plenary authority is hereby granted, subject only to the restrictions of this article, to provide therein or by amendment thereto, the manner in which, the method by which, the times at which, and the terms for which the several county and municipal officers and employees whose compensation is paid by such city or city and county, excepting judges of the superior court, shall be elected or appointed, and for their recall and removal, and for their compensation, and for the number of deputies, clerks and other employees that each shall have, and for the compensation, method of appointment, qualifications, tenure of office and removal of such deputies, clerks and other employees. All provisions of any charter of any such city or consolidated city and county, heretofore adopted, and amendments thereto, which are in accordance herewith, are hereby confirmed and declared valid.

5. It shall be competent in any charter or amendment thereof, which shall hereafter be framed under the authority given by section eight of this article, by any city having a population in excess of 50,000 ascertained as prescribed by said section eight, to provide for the separation of said city from the county of which it has theretofore been a part and the formation of said city into a consolidated city and county to be governed by such charter, and to have combined powers of a city and county, as provided in this constitution for consolidated city and county government, and further to prescribe in said charter the date for the beginning of the official existence of said consolidated city and county.

It shall also be competent for any such city, not having already consolidated as a city and county to hereafter frame, in the manner prescribed in section eight of this article, a charter providing for a city and county government, in which charter there shall be prescribed territorial boundaries which may include contiguous territory not included in such city, which territory, however, must be included in the county within which such city is located.

If no additional territory is proposed to be added, then, upon the consent to the separation of any such city from the county in which it is located, being given by a majority of the qualified electors voting thereon in such county and upon the ratification of such charter by a majority of the qualified electors voting thereon in such city, and the approval thereof by the legislature, as prescribed in section eight of this article, said charter shall be deemed adopted and upon the date fixed therein said city shall be and become a consolidated city and county.

If additional territory which consists wholly of only one incorporated city or town, or which consists wholly of unincorporated territory, is proposed to be added, then, upon the consent to such separation of such territory and of the city initiating the consolidation proposal being given by a majority of the qualified electors voting thereon in the county in which the city proposing such separation is located, and upon the ratification of such charter by a majority of the qualified electors voting thereon in such city so proposing the separation, and also upon the approval of the proposal hereinafter set forth, by a majority of the qualified electors voting thereon in the whole of such additional territory, and the approval of said charter by the legislature, as prescribed in section eight of this article, said charter shall be deemed adopted, the indebtedness hereinafter referred to shall be deemed to have been assumed, and upon the date fixed in said charter such territory and such city shall be and become one consolidated city and county.

The proposal to be submitted to the territory proposed to

be added shall be substantially in the following form and submitted as one indivisible question:

"Shall the territory (herein designated in general terms the territory to be added) consolidate with the city of (here insert name of the city initiating the proposition to for, city and county government) in a consolidated city and county government, and shall the charter as prepared by the city of (herein insert the name of the city initiating such proposition) be adopted as the charter of the consolidated city and county, and shall the said added territory become subject to taxation along with the entire territory of the proposed city and county, in accordance with the assessable valuation of the property of the said territory, for the following indebtedness of said city (herein insert name of the city initiating such proposition) to-wit: (herein insert in general terms reference to any debts to be assumed, and if none insert 'none')."

If additional territory is proposed to be added, which includes unincorporated territory and one or more incorporated cities or towns, or which includes more than one incorporated city or town, the consent of any such incorporated city or town shall be obtained by a majority vote of the qualified electors thereof voting upon a proposal substantially as follows:

"Shall (herein insert the name of the city or town to be included in such additional territory) be included in a district to be hereafter defined by the city of (herein insert the name of the city initiating the proposition to form a city and county government) which district shall, within two years from the date of this election, vote upon a proposal submitted as one indivisible question that such district to be then described and set forth shall consolidate with (herein insert name of the city initiating said consolidation proposition) in a consolidated city and county government, and also that a certain charter, to be prepared by the city of (herein insert name of the city initiating such proposition) be adopted as the charter of such consolidated city and county, and that such district become subject to taxation along with the entire territory of the proposed city and county in accordance with the assessable valuation of the property of said district for the following indebtedness of said city of (herein insert name of the city initiating such proposition) to-wit: (herein insert in general terms reference to any debts to be assumed and if none insert 'none')."

Any and all incorporated cities or towns to which the foregoing proposal shall have been submitted and a majority of whose qualified electors voting thereon shall have voted in favor thereof, together with such unincorporated territory as the city initiating such consolidation proposal may desire to have included, the whole to form an area contiguous to said city, shall be created into a district by such city, and the proposal substantially as above prescribed to be used when the territory proposed to be added consists wholly of only one incorporated city or town, or wholly of unincorporated territory, shall, within two years, be submitted to the voters of said entire district as one indivisible question.

Upon consent to the separation of such district and of the city initiating the consolidation proposal being given by a majority of the qualified electors voting thereon in the county in which the city proposing such separation is located, and upon the ratification of such charter by a majority of the qualified electors voting thereon in such city, and upon the approval of the proposal hereinafter set forth by a majority of the qualified electors voting thereon in the whole of the said district so proposed to be added, and upon the approval of said charter by the legislature, as prescribed in section eight of this article, said charter shall be deemed adopted, the said indebtedness referred to in said proposal shall be deemed to have been assumed, and upon the date fixed in said charter, such district and such city shall be and become one consolidated city and county.

6. It shall be competent for any consolidated city and county now existing, or which shall hereafter be organized, to annex territory contiguous to such consolidated city and county, unincorporated or otherwise, whether situated wholly in one county, or parts thereof be situate in different counties, said annexed territory to be an integral part of such city and county, provided that such annexation of territory shall only include part of the territory which was at the time of the original consolidation of the annexing city and county, within the county

from which such annexing city and county was formed, together with territory which was concurrently, or has since such consolidation been joined in a county government with the area of the original county not included in such consolidated city and county.

If additional territory, which consists wholly of only one incorporated city, city and county or town, or which consists wholly of unincorporated territory, is proposed to be annexed to any consolidated city and county now existing or which shall hereafter be organized, then, upon the consent to any such annexation being given by a majority of the qualified electors voting thereon in any county or counties in which any such additional territory is located, and upon the approval of such annexation proposal by a majority of the qualified electors voting thereon in such city and county, and also upon the approval of the proposal hereinafter set forth by a majority of the qualified electors voting thereon in the whole of such territory proposed to be annexed, the indebtedness hereinafter referred to shall be deemed to have been assumed, and at the time stated in such proposal, such additional territory and such city and county shall be and become one consolidated city and county, to be governed by the charter of the city and county proposing such annexation, and any subsequent amendment thereto.

The proposal to be submitted to the territory proposed to be annexed, shall be substantially in the following form and submitted as one indivisible question:

"Shall the territory (herein designate in general terms the territory to be annexed) consolidate with the city and county of (herein insert the name of the city and county initiating the annexation proposal) in a consolidated city and county government, said consolidation to take effect (herein insert date when such consolidation shall take effect) and shall the said annexed territory become subject to taxation, as an integral part of the city and county so formed, in accordance with the assessable valuation of property of said territory for the following indebtedness of said city and county of (herein insert name of the city and county) to-wit: (herein insert in general terms, reference to any debts to be assumed and if none insert 'none')."

If additional territory including unincorporated territory and one or more incorporated cities, cities and counties, or towns, or including more than one incorporated city, city and county, or town, is proposed to be annexed to any consolidated city and county now existing or which shall hereafter be organized, the consent of each such incorporated city, city and county, or town, shall be obtained by a majority vote of the qualified electors of any such incorporated city, city and county, or town, voting upon a proposal substantially as follows:

"Shall (herein insert name of the city, city and county, or town, to be included in such annexed territory) be included in a district to be hereafter defined by the city and county of (herein insert the name of the city and county initiating the annexation proposal) which district shall within two years from the date of this election vote upon a proposal submitted as one indivisible question, that such district to be then described and set forth shall consolidate with (herein insert name of the city and county initiating the annexation proposal) in a consolidated city and county government, and that such district become subject to taxation, along with the entire territory of the proposed city and county in accordance with the assessable valuation of the property of said district for the following indebtedness of said city and county of (herein insert name of the city and county initiating the annexation proposal) to-wit: (herein insert in general terms, reference to any debts to be assumed and if none insert 'none')."

Any and all incorporated cities, cities and counties, or towns, to which the foregoing proposal shall have been submitted, and a majority of whose qualified electors voting thereon shall have voted in favor thereof, together with such unincorporated territory as the city and county initiating such annexation proposal may desire to have included, the whole to form an area contiguous to said city and county, shall be created into a district by said city and county, and the proposal substantially in the form above set forth to be used when the territory proposed to be added consists wholly of only one incorporated city, city and county, or town, or wholly of unincorporated territory, shall, within said two years, be submitted to the voters of said entire district as one indivisible question.

Upon consent to any such annexation being given by a majority of the qualified electors voting thereon in any county or counties in which any such territory proposed to be annexed to said city and county is located, and upon the approval of any such annexation proposal by a majority of the qualified electors voting thereon in such city and county proposing such annexation, and also upon the approval of the proposal hereinbefore set forth by a majority of the qualified electors voting thereon in the whole of the district so proposed to be annexed, then, the said indebtedness referred to in said proposal shall be deemed to have been assumed, and upon the date stated in such annexation proposal such district and such city and county shall be and become one consolidated city and county, to be governed by the charter of the city and county proposing such annexation, and any subsequent amendment thereto.

Whenever any proposal is submitted to the electors of any county, territory, district, city, city and county, or town, as above provided, there shall be published, for at least five successive publications in a newspaper of general circulation printed and published in any such county, territory, district, city, city and county, or town, the last publication to be not less than twenty days prior to any such election, a particular description of any territory or district to be separated, added, or annexed, together with a particular description of any debts to be assumed, as above referred to, unless such particular description is contained in the said proposal so submitted. In addition to said description, such territory shall also be designated in such notice by some appropriate name or other words of identification, by which such territory may be referred to and indicated upon the ballots to be used at any election at which the question of annexation or consolidation of additional territory is submitted as herein provided. If there be no such newspaper so printed and published in any such county, territory, district, city, city and county, or town, then such publication may be made in any newspaper of general circulation printed and published in the nearest county, city, city and county, or town where there may be such a newspaper so printed and published.

If, by the adoption of any charter, or by annexation, any incorporated municipality becomes a portion of a city and county, its property, debts and liabilities of every description shall be and become the property, debts and liabilities of such city and county.

Every city and county which shall be formed, or the territory of which shall be enlarged as herein provided from territory taken from any county or counties, shall be liable for a just proportion of the debts and liabilities and be entitled to a just proportion of the property and assets of such county or counties, existing at the time such territory is so taken.

The provisions of this constitution applicable to cities, and cities and counties, and also those applicable to counties, so far as not inconsistent or prohibited to cities, or cities and counties, shall be applicable to such consolidated city and county government; and no provision of subdivision 5 or 6 of this section shall be construed as a restriction upon the plenary authority of any city or city and county having a freeholders' charter, as provided for in this constitution, to determine in said charter any and all matters elsewhere in this constitution authorized and not inconsistent herewith.

The legislature shall provide for the formation of one or more counties from the portion or portions of a county or counties remaining after the formation of or annexation to a consolidated city and county, or for the transfer of such portion or portions of such original county or counties to adjoining counties. But such transfer to an adjoining county shall only be made after approval by a majority vote of the qualified electors voting thereon in such territory proposed to be so transferred.

The provisions of section two of this article, and also those provisions of section three of this article which refer to the passing of any county line within five miles of the exterior boundary of a city or town in which a county seat of any county proposed to be divided is situated, shall not apply to the formation of, nor to the extension of the territory of such consolidated cities and counties, nor to the formation of new counties, nor to the annexation of existing counties, as herein specified.

Any city and county formed under this section shall have

the right, if it so desires, to be designated by the official name of the city initiating the consolidation as it existed immediately prior to its adoption of a charter providing for a consolidated city and county government, except that such city and county shall be known under the style of a city and county.

It shall be competent in any charter framed for a consolidated city and county, or by amendment thereof, to provide for the establishment of a borough system of government for the whole or any part of the territory of said city and county, by which one or more districts may be created therein, which districts shall be known as boroughs and which shall exercise such municipal powers as may be granted thereto by such charter, and for the organization, regulation, government and jurisdiction of such boroughs.

No property in any territory hereafter consolidated with or annexed to any city or city and county shall be taxed for the payment of any indebtedness of such city or city and county outstanding at the date of such consolidation or annexation and for the payment of which the property in such territory was not, prior to such consolidation or annexation, subject to such taxation, unless there shall have been submitted to the qualified electors of such territory the proposition regarding the assumption of indebtedness as hereinbefore set forth and the same shall have been approved by a majority of such electors voting thereon.

7. In all cases of annexation of unincorporated territory to an incorporated city, or the consolidation of two or more incorporated cities, assumption of existing bonded indebtedness by such unincorporated territory or by either of the cities so consolidating may be made by a majority vote of the qualified electors voting thereon in the territory or city which shall assume an existing bonded indebtedness. This provision shall apply whether annexation or consolidation is effected under this section or any other section of this constitution, and the provisions of section eighteen of this article shall not be a prohibition thereof.

The legislature shall enact such general laws as may be necessary to carry out the provisions of this section and such general or special laws as may be necessary to carry out the provisions of subdivisions 5 and 6 of this section, including any such general or special act as may be necessary to permit a consolidated city and county to submit a new charter to take effect at the time that any consolidation, by reason of annexation to such consolidated city and county, takes effect, and also, any such general law or special act as may be necessary to provide for any period after such consolidation, by reason of such annexation, takes effect, and prior to the adoption and approval of any such new charter.

Section 84, article XI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 84. It shall be competent, in all charters framed under the authority given by section eight of article eleven of this constitution, to provide, in addition to those provisions allowable by this constitution and by the laws of the state, as follows:

1. For the constitution, regulation, government, and jurisdiction of police courts, and for the manner in which, the times at which, and the terms for which the judges of such courts shall be elected or appointed, and for the qualifications and compensation of said judges and of their clerks and attaches.

2. For the manner in which, the times at which, and the terms for which the members of boards of education shall be elected or appointed, for their qualifications, compensation and removal, and for the number which shall constitute any one of such boards.

3. For the manner in which, the times at which, and the terms for which the members of the boards of police commissioners shall be elected or appointed, and for the constitution, regulation, compensation, and government of such boards and of the municipal police force.

4. For the manner in which and the times at which any municipal election shall be held and the result thereof determined; for the manner in which, the times at which, and the terms for which the members of all boards of election shall be elected or appointed; and for the constitution,

regulation, compensation and government of such boards, and of their clerks and attaches; and for all expenses incident to the holding of any election.

Where a city and county government has merged and consolidated into one municipal government, it shall also be competent, in any charter framed under said section eight of said article eleven, or by amendment thereto, to provide for the manner in which, the times at which and the terms for which the several county and municipal officers and employees whose compensation is paid by such city and county, excepting judges of the superior court, shall be elected or appointed, and for their recall and removal, and for their compensation, and for the number of deputies, clerks and other employees that each shall have, and for the compensation, method of appointment, qualifications, tenure of office and removal of such deputies, clerks and other employees. All provisions of any charter of any such consolidated city and county heretofore adopted, and amendments thereto, which are in accordance herewith, are hereby confirmed and declared valid.

ARGUMENT IN FAVOR OF OAKLAND CONSOLIDATION AMENDMENT.

This is known as the Oakland, or 50,000 population amendment, as distinguished from the so-called San Francisco, or 175,000 population amendment. Both are amendments of section 84 of article XI of the constitution, governing the formation of combined city and county governments. The Oakland amendment would permit any city of over 50,000 population to form a combined city and county government; the San Francisco amendment fixes the minimum population at 175,000. The former prohibits and the latter permits the indiscriminate crossing of county lines.

This so-called Oakland or 50,000 population amendment should be adopted because it permits the normal formation and expansion of combined city and county governments, and because it prohibits the disintegration of counties in the course of such formation or expansion.

The formation of combined city and county governments does away with unnecessary duplication in the creation and filling of public offices and in the doing of public business. When taxes are levied upon the same piece of property to raise money with which to pay a city official and a county official for performing the same or a similar public service, such taxes are unnecessarily burdensome, and public funds are wasted. The formation of combined city and county governments eliminates this double taxation, without depriving the communities concerned of the benefits of either city or county government.

A further reason for adopting this proposed amendment is that it puts a stamp of disapproval upon all attempts of San Francisco to cross San Francisco bay for the purpose of annexing the choicest portions of the counties on the east and on the north. It permits San Francisco to expand down the peninsula, along logical and natural lines, and where such expansion is apparently desired, but it prevents any such expansion across the natural barrier of San Francisco bay, an expansion which if permitted would in time make San Francisco in California what New York city is in New York state—the dominant factor in the political and official life of the entire state.

The amendment should be adopted because it permits the normal and beneficial formation and expansion of combined city and county governments, and prevents the abnormal and detrimental in the expansion of such governments.

After careful investigation, the chambers of commerce and the public officials of Los Angeles and of San Francisco have abandoned their support of the so-called 175,000 population amendment, the amendment that would permit San Francisco to annex all or parts of Alameda, Contra Costa and Marin counties, as well as

San Mateo, and have publicly endorsed and approved this, the 50,000 population amendment, the amendment that would permit San Francisco to expand down the peninsula, and would permit other cities besides San Francisco and Los Angeles to form city and county governments; and joined with the other cities throughout the state in asking that this proposed constitutional amendment be adopted.

CHARLES A. BEARDSLEY.

ARGUMENT AGAINST OAKLAND CONSOLIDATION AMENDMENT.

The substitute amendment to section 8½ of article XI of the Constitution of the State of California, submitted by the city of Oakland and subsequently accepted by San Francisco and Los Angeles, should be designated an amendment to permit secession of cities and the division of counties.

It is a measure designed to magnify the political powers of the three cities named, and permit them, by augmenting their areas, to dominate the State of California in the legislature.

It is an effort on the part of the special interests entrenched in cities to extend their taxing powers and exploit the people, through the purchase of certain utilities involving vast bonded indebtedness. Its initiative lies in the desire to distribute the liabilities for the water supplies and other corporate properties to be purchased by San Francisco and Los Angeles.

It involves the appropriation for exclusive municipal use of waters that are necessary to the development of the farms, the orchards, and the mines, upon which the prosperity of the state depends.

It is a cunningly devised scheme to dismember and weaken the counties and to withhold contribution by the cities to the development of the country from which they draw their patronage and sustenance.

It further permits any city with a population of fifty thousand or over to withdraw or secede from the county in which it is located, with such territory and taxable property as it may take, and set up a city and county government separate from the county of which it was formerly a part.

Los Angeles does not disguise its design, by annexing certain communities, to coerce them into taking the Owens river water, augmenting municipal revenues, and openly declares its purpose of seceding from the county of Los Angeles, and forming a city and county of Los Angeles, as San Francisco has already done, and as Oakland appears to be ambitious of doing.

The joint assets of San Francisco, of Oakland, and of the other east bay shore cities are to be massed through this amendment in liability for the Spring Valley purchase and other items in the San Francisco water supply scheme, as those of Los Angeles county are to support the Owens river project. The "working agreement" between politicians and financiers promoting this amendment is another evidence that "special interests make strange bedfellows."

Purchasing immunity at the price of bad faith, Oakland makes an alliance with its former enemies at the expense of its former friends, and, casting consistency to the winds, consents to the dismemberment of other counties, provided its own territory is protected from invasion.

Every argument which Oakland advanced to the people of California two years ago in its own defense may be invoked against the amendment which it now advocates.

In its frantic appeal to the voters of the state to protect it from "the menace" of annexation to San Francisco, Oakland argued against the amendment permitting county division because—(a) "It is special legislation of the most vicious sort"; (b) it "breaks down the present constitutional defense of the territorial integrity of counties"; (c) "It facilitates the division and dismemberment of counties"; (d) "It is a measure that will contribute to increase the political power and prestige of the San Francisco machine and enable it to dominate the political situation in California as completely as Tammany Hall does in New York"; (e) "If adopted, it will make it possible for San Francisco and Los Angeles to control absolutely the legislature of California"; (f) "It would open the way for San Francisco to secure control of practically all the commercial water front of both sides of the bay, to throttle competition in ocean commerce, and to nullify the advantages to the people of the Panama canal"; (g) "It would saddle upon the cities to be annexed a staggering burden of bonded indebtedness"; (h) "its adoption would be a statewide calamity."

If this was true then, it is true now!

Responding to Oakland's cry of distress, the people of California defeated the amendment two years ago by 106,000 majority, with an adverse vote in every county except San Francisco and the counties of San Mateo and Marin, which San Francisco commuters dominate.

Now, Oakland, upon the assurance that, for the present, San Francisco puts aside its ambition to annex Oakland and is content to absorb San Mateo county, makes common cause with San Francisco and Los Angeles in an effort to force upon the counties of California a measure which is a menace to their political and territorial integrity, an amendment which will strengthen the special interests which govern the great cities, so notoriously corrupt, in the control of the legislature of the State of California. Such predominating power in the large cities would mean that they would secure legislation favorable to their interests and the lion's share of the revenue produced by the people of California in appropriations for the benefit of these cities at the expense of the rest of the state.

It is inconceivable that the citizens of California can be deceived by the specious arguments of this "triple alliance" into voting to create an oligarchy of cities to dominate the state.

On both the original San Francisco-Los Angeles amendment to section 8½ of article XI of the Constitution of the State of California, and the Oakland substitute, which is now supported by the politicians and private interests of all three cities, the people of the State of California should vote "No."

Edw. K. SROEDER.
State Senator Thirteenth District.

DEPOSIT OF PUBLIC MONEYS.

Initiative amendment to section 16½ of article XI of constitution. Present section unchanged except in following particulars: Authorizes banks in which public moneys are deposited to furnish, as security, bonds of districts within municipalities, or of a corporation qualified to act as sole surety on bonds or undertakings, to an amount in value, or with a penalty, of at least ten per cent over amount of deposit; provides that no deposit under section shall exceed at any time fifty per cent of paid up capital and surplus of depository bank.

The electors of the State of California hereby propose to the people of the State of California that section 16½ of article XI of the Constitution of the State of California, relating to the deposit of public moneys, be amended so as to read as follows:

PROPOSED LAW.

Section 16½. All moneys belonging to the state or to any county or municipality within this state may be deposited in any national bank or banks

within this state, or in any bank or banks organized under the laws of this state, in such manner and under such conditions as may be provided by law: provided, that such bank or banks in which such moneys are deposited shall furnish as security for such deposits bonds of the United States or of this state, or of any county, municipality or school district within this state, or of any irrigation district within this state, or of any district within any municipality authorized under

the laws of this state to issue bonds, or the bond of a corporation qualified to act as sole surety on bonds or undertakings required by the laws of this state, to be approved by the officer or officers designated by law, to an amount in value, or with a penalty, of at least ten per cent in excess of the amount of such deposit; and provided that such bank or banks shall pay a reasonable rate of interest not less than two per cent per annum on the daily balances therein deposited; and provided that no deposit shall at any time exceed fifty per cent of the paid up capital and surplus of such depository bank or banks; and provided, further, that no officer shall deposit at one time more than twenty per cent of such public moneys available for deposit in any bank while there are other qualified banks requesting such deposits.

Section 16½, article XI, proposed to be amended, now reads as follows:

EXISTING LAW.

Section 16½. All moneys belonging to the state, or to any county or municipality within this state, may be deposited in any national bank or banks within this state, or in any bank or banks organized under the laws of this state, in such manner and under such conditions as may be provided by law; provided, that such bank or banks in which such moneys are deposited shall furnish as security for such deposits, bonds of the United States, or of this state or of any county, municipality or school district within this state, or of any irrigation district within this state, to be approved by the officer or officers designated by law, to an amount in value of at least ten per cent in excess of the amount of such deposit; and provided, that such bank or banks shall pay a reasonable rate of interest, not less than two per cent per annum on the daily balances therein deposited; and provided, that no deposit shall at any one time exceed fifty per cent of the paid-up capital stock of such depository bank or banks; and provided, further, that no officer shall deposit at one time more than twenty per cent of such public moneys available for deposit in any bank while there are other qualified banks requesting such deposits.

ARGUMENT FAVOR CERTAIN SECURITIES FOR PUBLIC MONEYS.

The people of the State of California lose more than half a million dollars each year in interest on over twenty-five million dollars idle money in the vaults of the state treasurer and the various county and city treasurers. The treasurer of the city and county of San Francisco now has nearly four million dollars cash on hand, and at certain times of the year this runs up to over six millions. The other cities and counties of the state carry idle money in varying proportions.

The object in seeking to amend this section of the constitution is:

First—To secure the benefit to the people of the state of having all of the public money in active circulation at all times with ample security to be given by the banks for its payment to the respective treasurers on demand.

Second—To secure for the state and the counties and cities therein interest on these vast sums of idle money, and thereby reduce taxes to that extent.

In practically all of the other states, these favorable conditions have been brought about by acts of the legislatures, and public money in such states is never withdrawn from circulation; it is always deposited in banks, upon the banks furnishing good and sufficient security. In California, it is necessary to bring about this result by constitutional amendment, because of the fact that when the constitution was adopted its framers did not take into consideration the wide scope of present day bankable securities and collaterals, and the banks are not in a position to take all of the public money, if they can

furnish only the very limited kinds of securities specified by our constitution; hence the idle balances now in the various treasuries.

It is proposed to follow the lead of the other states, such as New York, Pennsylvania, Ohio, Illinois and our neighboring states of Washington, Oregon, Idaho and Arizona, and bring our methods of handling public money up to date by adding to the list of acceptable securities as now specified and allowing the banks to furnish other approved security and collaterals of equal value.

If you are in favor of having the people get the interest they are entitled to on their public money, and of having all the money in circulation, with the further advantage of reducing the risk and expense of safeguarding this money from burglary, vote "Yes" on the amendment.

LESLIE E. BURKS.

ARGUMENT AGAINST CERTAIN SECURITIES FOR PUBLIC MONEYS.

This proposed amendment to section 16½, article XI, of the Constitution of the State of California, to be submitted at the general election to be held November 3, 1914, should be voted down for the following reasons:

First—Moneys belonging to the state or any county or municipality within this state are imposed with a special trust that they should be at all times available for public purposes.

There is a potency about cash that does not attach to any form of security, and the cash belonging to the public should be available in every emergency. Whatever militates against this availability is bad public policy.

As section 16½ stands without this proposed amendment, it permits the deposit of bonds of the United States, or of this state, or of any county, municipality, or school district, or any irrigation district within this state, with the officers designated by law as custodians of the state or county or municipality moneys. The change contemplated by the amendment adds the bonds of any district within any municipality authorized under the laws of this state to issue bonds, or the bond of a corporation qualified to act as sole surety on bonds or undertakings required by the laws of this state. It will be observed, therefore, that the change adds two additional classes of security to be deposited with the respective treasurers: (a) bonds of a district within a municipality; (b) bonds of a surety company.

The addition of "bonds of a surety company" constitutes the vice of this amendment. There is apt to be confusion arising in the minds of the voters by the use of the word "bond." The bond of the United States, or of this state, or of any county, municipality, or school district, is a strict contract for the payment of money, like a promissory note, whereas the bond of a corporation qualified to act as sole surety is a contract of indemnity, and a very different thing from the bond of a municipality. This confusion arises out of the popular use of the word "bond." Now in the case of the deposit of bonds of a municipality, county treasurers have an instrument which they can go out in the open market and sell. In the case of a bond of a surety company they have nothing they can go out and sell, and in the event of a failure to repay the moneys deposited with the bank the officer holding the bond of a surety company is put to a suit at law to recover the penalty. These bonds, being of indemnity or surety, the opportunities of defense to any suit that arises upon them are multiplied by the extreme technicality of the law relating to contracts of indemnity or surety and the numerous cases that our reports contain indicate that in many instances the party for whose benefit a bond is made fails to recover.

The people should not be tricked into voting

in favor of this amendment by reason of the similarity of the word "bond" in each instance, because in effect they are two very different instruments. If every voter would ask himself whether he was better protected for the loan money by having United States bonds as security, or by having the bonds of a surety company, he would realize the difference and the vicious effect of this amendment.

Second—The law as it has stood ever since its enactment has given entire satisfaction. Not only that, but there has not been a semblance of loss by any county or municipality in this state under its workings. There is no public demand for any change, there has been no county treasurer but what has been able to deposit his money with banks if he so desired, and no bank has been unable to obtain money that had the proper securities; therefore the object in making the amendment must have some ulterior purpose. Of course the ulterior purpose is to increase the business of surety companies, most of whom are foreign corporations. It is not designed for public benefit. There is no need or necessity of the amendment, except to contribute to the selfish ends of the surety companies.

Third—It is frequently necessary for either the state, or for counties or municipalities or school districts within this state, to obtain moneys by the issuance of bonds. Whatever will increase the premium paid for the purchase of said bonds to the municipalities is so much to the good to

the political entity making the sale. Whatever increases the demand for such bonds increases this premium. The use of bonds for the purpose of deposit with county treasurers in order that cash may be withdrawn to banks increases the demand. It offers additional use for the bonds and additional inducement for their purchase. Since the enactment of section 164 it has conduced greatly to the benefit of the political entities of the state issuing bonds, because it has vastly increased the market for such bonds, thereby increasing the demand and insuring a higher premium for the bonds sold. Now it is proposed to bring these municipal bonds in competition with the bonds of a surety company. This will diminish the demand, consequently diminish the premium, and thereby diminish the benefits accruing to the political entities issuing the bonds. It thus militates against the best interests of the county or school district or municipality desiring to issue bonds, and for that reason should be voted down.

Fourth—In spite of whatever care the legislature may take in passing an enabling act and providing safeguards for the issuance of surety bonds, this amendment will offer opportunities for banks to form surety companies, operated by dummies, permitting collusion and fraudulently obtaining large sums of money from public entities.

For these reasons the voter should vote "No" upon this amendment. L. H. ROSEBERRY.

PRIZE FIGHTS.

Initiative act amending Penal Code. Prohibits the engaging in or furthering in any way prize fights or remunerative boxing exhibitions, training therefor, or betting thereon; the conducting, participating in or witnessing any boxing exhibitions on Memorial Day or Sunday; authorizes regulated four-round amateur boxing exhibitions unless prohibited by ordinance; provides for arrest of persons about to promote or participate in prohibited contests and requires bond against committing offense; declares self-incrimination no disqualification of witness; prohibits his prosecution for offense disclosed; authorizes conviction upon accomplice's uncorroborated testimony; prescribes penalties.

The electors of the State of California present to the secretary of state this petition, and request that the proposed law, amending sections 412, 413 and 414 of the Penal Code, relating to sparring or boxing exhibitions and prohibiting prize fights and the laying of bets or wagers upon the result thereof, and adding a new section to the Penal Code, numbered 414a, hereinafter set forth, be submitted to the people of the State of California for their approval or rejection at the next ensuing general election, or as provided by law.

An act to amend sections four hundred and twelve, four hundred and thirteen, and four hundred and thirteen and one-half of the Penal Code relating to sparring or boxing exhibitions and prohibiting prize fights and the laying of bets or wagers upon the result thereof; and to add one new section to said Penal Code, to be numbered 414a, relating to prize fights and boxing exhibitions, and giving testimony in trials relating thereto.

The people of the State of California do enact as follows:

Section 1. Section four hundred and twelve of the Penal Code is hereby amended to read as follows:

412. Any person, who, within this state, engages in, or instigates, aids, encourages, or does any act to further, a pugilistic contest, or fight, or ring or prize fight, or sparring or boxing exhibition, taking or to take place either within or without this state, between two or more persons, with or without gloves, for any price, reward or compensation, directly or indirectly, or who goes into training preparatory to such pugilistic contest, or fight, or ring or prize fight, or sparring or boxing exhibition, or acts as aider, abettor, backer, umpire, referee, trainer, second, goon, or assistant, at such pugilistic contest, or fight, or ring or prize fight, or sparring or boxing exhibition, or who sends or publishes a

challenge or acceptance of a challenge, or who knowingly carries or delivers such challenge or acceptance, or who gives or takes or receives any tickets, tokens, prize, money, or thing of value, from any person or persons, for the purpose of seeing or witnessing any such pugilistic contest, or fight, or ring or prize fight, or sparring or boxing exhibition, or who, being the owner, lessee, agent or occupant of any vessel, building, hotel, room, enclosure or ground, or any part thereof, whether for gain, hire, reward or gratuitously or otherwise, permits the same to be used or occupied for such a pugilistic contest, or fight, or ring or prize fight, or sparring or boxing exhibition, or who lays, makes, offers or accepts, a bet or bets, or wager or wagers, upon the result or any feature of any pugilistic contest, or fight, or ring or prize fight, or sparring or boxing exhibition, or acts as stakeholder of any such bet or bets, or wager or wagers, shall be guilty of a misdemeanor, and upon conviction thereof, shall be fined not less than one hundred dollars nor more than one thousand dollars and be imprisoned in the county jail not less than thirty days nor exceeding one year; provided, however, that amateur boxing exhibitions may be held within this state, of a limited number of rounds, not exceeding four of the duration of three minutes each; the interval between each round shall be one minute, and the contestants weighing one hundred and forty-five pounds or over shall wear gloves of not less than eight ounces each in weight, and contestants weighing under one hundred and forty-five pounds may wear gloves of not less than six ounces each in weight. All gloves used by contestants in such amateur boxing exhibitions shall be so constructed, as that the soft padding between the outside coverings shall be evenly distributed over the back of said gloves and cover the knuckles and back of the hands. And no bandages of any kind shall be used on the hands or arms of the contestants. For the purpose of this statute an amateur boxing exhibition shall be and is hereby defined as one in

which no contestant has received or shall receive in any form, directly or indirectly, any money, prize, reward or compensation either for the expenses of training for such contest or for taking part therein, except as herein expressly provided. Nor shall any person appear as contestant in such amateur exhibition who prior thereto has received any compensation or reward in any form for displaying, exercising or giving any example of his skill in or knowledge of athletic exercises, or for rendering services of any kind to any athletic organization or to any person or persons as trainer, coach, instructor or otherwise, or who shall have been employed in any manner professionally by reason of his athletic skill or knowledge; provided, however, that a medal or trophy may be awarded to each contestant in such amateur boxing exhibitions, not to exceed in value the sum of \$35.00 each, which such medal or trophy must have engraved thereon the name of the winner and the date of the event; but no portion of any admission fee or fees charged or received for any amateur boxing exhibition shall be paid or given to any contestant in such amateur boxing exhibition, either directly or indirectly, nor shall any gift be given to or received by such contestants for participating in such boxing exhibition, except said medal or trophy. At every amateur boxing exhibition held in this state and permitted by this section of the Penal Code, any sheriff, constable, marshal, policeman or other peace officer of the city, county or other political subdivision, where such exhibition is being held, shall have the right to, and it is hereby declared to be his duty to stop such exhibition, whenever it shall appear to him that the contestants are so unevenly matched or for any other reason, the said contestants have been, or either of them, has been seriously injured or there is danger that said contestants, or either of them, will be seriously injured if such contest continues, and he may call to his assistance in enforcing his order to stop said exhibition, as many peace officers or male citizens of the state as may be necessary for that purpose. Provided, further, that any contestant who shall continue to participate in such exhibition after an order to stop such exhibition shall have been given by such peace officer, or who shall violate any of the regulations herein prescribed, for governing amateur boxing exhibitions, shall be deemed guilty of violating this section of the Penal Code and subject to the punishment herein provided.

Nothing in this section contained shall be construed to prevent any county, city and county, or incorporated city or town from prohibiting, by ordinance, the holding or conducting of any boxing exhibition, or any person from engaging in any such boxing exhibition therein.

Section 2. Section four hundred and thirteen of the Penal Code is hereby amended to read as follows:

413. Every person wilfully present as a spectator at any fight or contention prohibited in the preceding section, is guilty of a misdemeanor.

An information may be laid before any of the magistrates mentioned in section eight hundred and eight of this code, that a person has taken steps toward promoting or participating in a contemplated pugilistic contest, or fight, or ring or prize fight, or sparring or boxing exhibition, prohibited under the provision of section four hundred and twelve of this code, or is about to commit an offense under said section four hundred and twelve. When said information is laid before said magistrate, he must examine, on oath, the informer, and any witness or witnesses he may produce, and must take their depositions in writing and cause them to be subscribed by the parties making them. If it appears from the deposition that there is just reason to fear the commission of the offense contemplated by the person so informed against, the magistrate must issue a warrant directed generally to the sheriff of the county, or any constable, marshal, or policeman in the state, reciting the substance of the information and commanding the officer forthwith to arrest the person informed against and bring him before the magistrate. When the person informed against is brought before the

magistrate, if the charge be controverted, the magistrate must take testimony in relation thereto. The evidence must be reduced to writing and subscribed by the witnesses. If it appears there is no just reason to fear the commission of the offense alleged to have been contemplated, the person complained against must be discharged. If, however, there is just reason to fear the commission of the offense, the person complained of must be required to enter into an undertaking in such sum, not less than three thousand dollars, as the magistrate may direct, with one or more sufficient sureties, conditioned that such person will not, for a period of one year thereafter, commit any such contemplated offense.

Section 3. Section four hundred and thirteen and one-half of the Penal Code is hereby amended to read as follows:

413½. Any person or persons holding, or conducting, or participating in, or present as a spectator, at any boxing exhibition held on Memorial Day, May 30, or on Sundays, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by fine not exceeding five hundred dollars or by imprisonment in the county jail not exceeding six months, or by both such fine and imprisonment.

Section 4. A new section, to be numbered 414a, is hereby added to the Penal Code to read as follows:

414a. No person, otherwise competent as a witness, is disqualified from testifying as such, concerning any offense under this act, on the ground that such testimony may incriminate himself, but no prosecution can afterwards be had against him for any offense concerning which he testified. The provisions of section 1111 of the Penal Code of this state are not applicable to any prosecutions brought under the provisions of this act.

Section 5. All laws and parts of laws inconsistent with this act are hereby repealed.

ARGUMENT IN FAVOR OF ANTI-PRIZE FIGHT ACT.

This act is designed to prevent commercial prize fighting in California, with its attendant evils, without interfering with bona fide amateur boxing, or amateur boxing exhibitions.

Bona fide amateur boxing exhibitions are permitted under restrictions that will exclude contests between professionals as a business enterprise, viz.:

(a) Rounds are limited to four, of three minutes, with one minute intervals.

(b) Contestants weighing under 145 pounds must wear six-ounce gloves and those over 145, eight-ounce. Soft padding of glove must cover back of hand and knuckles; no bandages permitted on hands or arms;

(c) No professional can engage in amateur boxing exhibitions. "Amateur" is carefully defined in accordance with rules of Amateur Athletic Union of United States, with some additional safeguards;

(d) The only thing of value that contestant may lawfully receive is a trophy or medal not exceeding \$35.00 in value, upon which name of winner and date of event must be engraved;

(e) It is peace officer's duty, within whose jurisdiction amateur boxing exhibition is held, to stop contest when it appears that serious injury has been, or probably will be, inflicted upon contestants. He is authorized to call to his assistance officers or male citizens, and all contestants who continue contest after such order are guilty of violating section 413 of the Penal Code;

(f) Contestants violating regulations of law governing amateur boxing exhibitions are guilty of violating said section 413.

It is evident from its provisions that the law will be effective and enforceable.

Amateur boxing and prize fighting are no more related than racing and racetrack gambling; and

for the same reason that California voters overwhelmingly approved the suppression of the last named evil, they should also prohibit professional prize fighting. The large sums collected prize fight promoters not only represent actual state, but also induce young men to adopt pugilism as a business, with all its brutalizing and demoralizing tendencies, and its attendant evils of intoxication and gambling.

It is not necessary to call attention to the deaths resulting from prize fighting. This so-called art of self defense is barbarous in character, for every prize fighter aims to deliver a "knockout" to his opponent. It is not surprising that some are killed. In amateur sports some participants are injured or killed, but such tragedies are incidental and not intentional, while in prize fighting the championship and prize are dependent upon "knocking out" the contestant.

California can not afford, when in 1915 it shall be entertaining the world at its expositions, to advertise that it is out of harmony with the enlightened sentiment of the civilized world, that unmistakably condemns prize fighting and its attendant evils.

Vote for this proposed law, and thereby exhibit not only the highest patriotism, but also the most approved common sense. **NATHAN NEWBY.**

ARGUMENT AGAINST ANTI-PRIZE FIGHT ACT.

First—Boxing is not brutal. Misrepresentation, through ignorance of existing conditions, has spread the idea that the sport is a brutal amusement. Records show that more men are injured in other major sports such as baseball, football, auto racing, and polo, on a ratio of the men engaged, than have been in boxing. In conducting bouts, promoters in California have held strictly to the rule of stopping all contests in which one of the contestants has plainly lost all chance to win.

Second—The sport is conducive to maintain manliness and good health among the participants. Rigid rules call for the best of condition in a boxer, and to obtain this cleanliness and abstinence from all forms of vice must be observed.

Third—A general impression exists that boxing contests are attended only by the lowest moral element. The houses drawn by promoters in California have been composed of the highest class of professional and business men. Lawyers, doctors, merchants, bankers and ministers have been interested spectators.

Fourth—The character of the men who have made good in the sport is above reproach. Fred

Welsh, at present the champion of his class, is well known as a temperate liver and abstainer from intoxicants, and a well educated and cultured gentleman. Other well known men in this country who are a credit to the game are Johnny Kilbane, Johnny Williams, Willie Ritale and James J. Corbett, each of whom has reached the head of his class. The last two are citizens of California, and men whose actions, in all parts of the world, have caused Californians to be very proud of them.

Fifth—Opposition to boxing is believed to have been developed from two sources—one is the honest, but uninformed reformer, and the other is the professional agitator. No opposition to the sport has been found in the cities and towns where it is allowed. To permit the sport will work hardship on none, while to prohibit it will deprive thousands of an amusement for which they have shown a liking ever since the game was promoted on a large scale in the United States. That there is no popular demand for its prohibition is evinced by the fact that it took eight months to get 32,000 signatures from a voters' list of over 500,000 in the state. Even with that time it was necessary to get an extension over the eight months limit to complete the petition.

Sixth—Boxing is not a state nor a national sport. It has an international vogue. For nearly two hundred years it has been promoted and encouraged by the English government, while men at the head of the army and navy of the United States have been hardly less active in encouraging it among the enlisted men. It is recognized as a healthful sport and a training course that conditions men second to none other in the world.

Seventh—The petition against boxing exempts the very brief four round bouts by amateurs. In these bouts there is no incentive for the boys to develop the best there is in them. No strict regulations compel them to train and acquire their best physical condition. Neither are they required to submit to a physician's examination before entering the ring. In professional bouts the men are made to post forfeits that they will attain their best condition and make certain weights. Even with this protection for themselves they must submit to the examination of a physician, who will not allow a man to enter the ring when there is the least chance of his being injured by lack of condition in so doing. Fame, money, and popularity are held out to the professional boxer, and it stands to reason that those inducements naturally make for a much higher standard of bouts than would the conditions under which amateur bouts are conducted.

D. P. REEAN,
State Senator Eighteenth District.

DRUGLESS PRACTICE.

Initiative act creating state board for drugless physicians, with office in Oakland, creating fund from fees for members' salaries and expenses, regulating examinations and issuance of certificates. Authorizes holders thereof to treat all physical or mental ailments of human beings without drugs or medicine, use "Doctor," "Dr." or "D. P." in connection with "Drugless Physician," and sign birth and death certificates. Exempts from examination any person practicing any drugless system for six months prior to effective date of act. Prescribes penalties for violations of act; and repeals all inconsistent provisions of medical act.

The electors of the State of California do hereby petition and propose the adoption of the following measure:

An act for the regulation of the practice of drugless systems or methods of treating sick or afflicted human beings; regulating the examination of applicants for license; regulating registration of applicants; allowing those licensed to treat diseases, injuries, deformities, or other physical or mental conditions of human beings by drugless methods; to establish a board of examiners for drugless physicians, to provide for their appointment and formation and prescribe their powers and duties; making violations of its provisions a misdemeanor; and repealing all parts of an act, entitled "An act to regulate the examination of applicants for license, and the practice of those licensed, to treat diseases, injuries, deformities, or other physical or mental conditions of human beings; to establish a board of medical examiners, to provide for their appointment and prescribe their powers and duties,

and to repeal an act entitled 'An act for the regulation of the practice of medicine and surgery, osteopathy, and other systems or modes of treating the sick or afflicted, in the State of California, and for the appointment of a board of medical examiners in the matter of said regulation,' approved March 14, 1907, and acts amendatory thereof, and also to repeal all other acts and parts of acts in conflict with this act," approved June 2, 1913, in conflict with this act and repealing all acts or parts of acts in conflict with this act.

The people of the State of California do enact as follows:

Section 1. A board to consist of nine members and to be known as the board of examiners for drugless physicians is hereby created and established. The governor shall appoint the members of the board on or before the first Tuesday in December, 1914, each of whom shall have been a citizen of this state for at least three years next preceding his appointment. Each of the

members shall be appointed from among persons who practice any method of the healing art known as the drugless method and no other person practicing any other method than such drugless method shall be eligible to membership on said board. The governor shall fill by appointment all vacancies on the board. The term of office of each member shall be four years, provided, that of the first board appointed three members shall be appointed for one year, two members for two years, two members for three years and two members for four years, and that thereafter all appointments shall be for four years, except that appointments to fill vacancies shall be for the unexpired term only. No person in any manner owning any interest in any college, school or institution engaged in any drugless method of instruction shall be appointed on the board. The governor shall have power to remove from office any member of the board for neglect of duty required by this act, for incompetency, or for unprofessional conduct.

Each member of the board shall, before entering upon the duties of his office, take the constitutional oath of office. Not more than two members of the board shall be of the same school or system of any drugless method.

Sec. 2. The board shall be organized on or before the first Tuesday of January, 1915, by electing from its number a president, vice-president, secretary, and treasurer, who shall hold their respective positions during the pleasure of the board. The board shall hold one meeting annually beginning on the first Tuesday in February, 1915, in the city of Oakland, and at least one additional meeting annually which shall be held in the city of Los Angeles, with power of adjournment from time to time until its business is concluded; provided, however, that examinations of applicants for certificates may, in the discretion of the board, be conducted in any part of the state designated by the board. Special meetings of the board may be held at such time and place as the board may designate. Notice of each regular or special meeting shall be given twice a week for two weeks next preceding each meeting in one daily newspaper published in the city of Oakland, one published in the city of Sacramento, and one published in the city of Los Angeles, which notice shall also specify the time and place of holding the examination of applicants. The board shall receive through its secretary applications for certificates provided to be issued under this act and shall, on or before the first day of January of each year transmit to the governor a full report of all its proceedings, together with a report of its receipts and disbursements. The board shall, on or before the first day of January of each year, compile a complete directory giving the addresses of all persons within the State of California who hold unrevoked licenses to practice under this act. The board is hereby authorized to require said persons to furnish such information as it may deem necessary to enable it to compile the directory. The directory shall contain in addition to the names and addresses of said persons the date of issuance of the license, the present residence of said person and a statement of the certificate held. The directory shall be prima facie evidence of the right of the person or persons named therein to practice. It shall be the duty of any person holding a license under this act, or who may hereafter be so licensed under this act, to report immediately each and every change of residence, giving both the old and the new address.

Sec. 3. The office of the board shall be in the city of Oakland and in all legal proceedings against the board said city shall be deemed to be the residence of the members thereof.

Sec. 4. The board may from time to time adopt such rules as may be necessary to enable it to carry into effect the provisions of this act. It shall require the affirmative vote of five members of said board to carry any motion or resolution, to adopt any rules, to pass any measure, or to authorize the issuance of any certificate as in this act provided. Any member of the board may administer oaths in any matter pertaining to the duties of the board, and the board shall have authority to take evidence in any matter cognizable by it. The board shall keep an official record of all its proceedings, a part of which record shall consist of a register of all applicants for certificates under this act, together with the action of the board upon each application.

Sec. 5. The board is authorized to prosecute all persons guilty of violation of the provisions of this act. It shall have the power to employ legal counsel for such purpose and shall also employ such clerical assistance as it may deem necessary

Twenty-eight

to carry into effect the provisions of this act. The board may fix the compensation to be paid for such service and may incur such other expenses as it may deem necessary. The board shall fix the salary of the secretary not to exceed the sum of twelve hundred (1200) dollars per annum, and the sum to be paid to other members of the board not to exceed ten (10) dollars per diem each, for each and every day of actual service in the discharge of official duties; and the board may in its discretion add to said sum necessary traveling expenses.

Sec. 6. All fees collected on behalf of the board of examiners for drugless physicians and all receipts of every kind and nature shall be reported at the beginning of each month, for the month preceding, to the state controller, and at the same time the entire amount of such collections shall be paid into the state treasury and shall be credited to a fund to be known as the board of examiners for drugless physicians' contingent fund, which fund is hereby created. Such contingent fund shall be for the uses of the board of examiners for drugless physicians. Out of it shall be paid all salaries and other expenses necessarily incurred in carrying into effect the provisions of this act. An amount not to exceed one thousand (1000) dollars may be drawn from the contingent fund herein created, to be used as a revolving fund where cash advances are necessary; but expenditures from such revolving fund must be substantiated by vouchers and itemized statements at the end of each fiscal year, or at any other time when demand therefor is made by the board of control.

Sec. 7. Every applicant for a certificate shall pay to the secretary of the board a fee of twenty-five (25) dollars which shall be paid to the treasurer of the board by said secretary. In case the applicant's credentials are insufficient or in case he does not desire to take the examination, the sum of ten (10) dollars shall be retained, the remainder of the fee being returnable on application.

Sec. 8. One form of certificate shall be issued by said board, under the seal thereof, and signed by the president and secretary; said certificate shall authorize the holder thereof to treat diseases, deformities, injuries or other physical or mental conditions or ailments of human beings without the use of drug or what are commonly known as medicinal preparations, which certificate shall be designated as "drugless physician."

Said certificate on being recorded in the office of the county clerk, as hereinafter provided, shall constitute the holder thereof a duly licensed practitioner in accordance with the provisions of such certificate.

Sec. 9. Every applicant must file with the board at least two weeks prior to the regular meeting thereof, satisfactory testimonials of good moral character, and every applicant must show that he has attended two courses of study, each such course to have been of not less than thirty-two weeks duration but not necessarily pursued continuously or consecutively, and that at least ten months shall have intervened between the beginning of any course and the beginning of the preceding course.

The said application shall be made upon a blank furnished by said board and it shall contain such information concerning the instruction and the preliminary education of the applicant as the board may by rule prescribe. Provided, however, that nothing in this section shall be construed so as to apply to applicants for registration as set forth in section 20 of this act.

Sec. 10. Applicants for a certificate as set forth herein shall file satisfactory evidence of having pursued in a legally chartered school or schools, or in a regularly chartered college or colleges the course of instruction covering and including the following minimum requirements:

Group 1. 645 hours	
Anatomy	510 hours
Histology	135 hours
Group 2. 340 hours	
Toxicology	40 hours
Physiology	300 hours
Group 3. 315 hours	
Hygiene	45 hours
Pathology	270 hours
Group 4. 420 hours	
Diagnostics	420 hours
Group 5. 280 hours	
Manipulative and mechanical therapy.....	280 hours
Group 6. 300 hours	
Gynecology	105 hours
Obstetrics	195 hours
Total	2880 hours

In the course of study herein outlined the hours required shall be actual work in the class room, laboratory, clinic or hospital, and at least eighty (80) per cent of actual attendance shall be required; provided, that the hours herein required for one subject need not exceed seventy-five (75) per cent of the number specified, but that the total number of hours in all the subjects of each group shall not be less than the total number specified for such group.

Sec. 11. All applicants for a certificate, except as set forth in section 20, must pass an examination in the following subjects:

1. Anatomy and histology.
2. Physiology.
3. Hygiene, pathology and sanitation.
4. Diagnosis.
5. Toxicology.
6. General diagnosis.
7. Gynecology and obstetrics.

All examinations shall be practical in character and designed to ascertain the applicant's fitness to practice his profession, and shall be conducted in the English language and at least a portion of the examination in each of the subjects shall be in writing in the discretion of the board. There shall be at least ten questions on each subject, the answers to which shall be marked on a scale of zero to one hundred. Each applicant must obtain no less than a general average of seventy-five per cent and not less than sixty per cent in any two subjects; provided, that any applicant shall be granted a credit of one per cent upon the general average for each year of actual practice since graduation.

The examination papers shall form a part of the records of the board and shall be kept on file by the secretary for a period of one year after each examination. In said examination the applicant shall be known and designated by number only and the name attached to the number shall be kept secret until after the board has finally voted upon the application. The secretary of the board shall in no instance participate as an examiner in any examination held by the board. All questions on any subject in which examination is required under this act, shall be provided by the board of examiners upon the morning

the day upon which examination is given in such subject, when it shall be shown that the secretary or any member of the board has in any manner given information in advance of or during examination to any applicant it shall be the duty of the governor to remove such person from the board of examiners, or from the office of secretary.

All certificates issued hereunder shall be issued in such form as shall be prescribed by the board.

Sec. 12. Said board must refuse a certificate to any applicant guilty of unprofessional conduct. Said board shall adopt rules of practice and procedure pursuant to and under and by virtue of the laws of the State of California by which to try a person charged with unprofessional conduct. In every instance, where a person is charged with unprofessional conduct such person before suspension or revocation shall be made shall be cited to appear and be given an opportunity to defend himself by counsel or otherwise in every stage of the proceedings. In the event that any person has his certificate revoked or suspended the secretary shall enter in the register the fact of such suspension or revocation, as the case may be, and shall certify the fact of such suspension or revocation under the seal of the board to the county clerk of the counties in which the certificate of the person whose certificate has been revoked has been recorded.

The words "unprofessional conduct" as used in this act are hereby declared to mean:

First—The procuring or aiding or abetting in procuring of a criminal abortion.

Second—The wilfully betraying of a professional secret.

Third—All advertising which is intended or has a tendency to deceive the public or impose upon credulous or ignorant persons, and so be harmful or injurious to public morals or safety.

Fourth—All advertisements of any means whereby the monthly periods of women can be regulated or the menses re-established if suppressed.

Fifth—Habitual intemperance.

Sixth—The permission of another licensed practitioner.

Sec. 13. Every person holding a certificate under this act authorizing him to practice any system as set forth in this act known as a drugless system whereby such person is authorized to treat sick or afflicted human beings in this state, must have it filed for record in the office of the county clerk of the county or counties in which the holder of said certificate is

practicing his profession, and the fact of such recordation shall be endorsed on the certificate by the county clerk recording the same. Any person holding a certificate as aforesaid who shall practice or attempt to practice a drugless system as set forth herein, without having first filed his certificate with the county clerk as herein provided shall be deemed guilty of a misdemeanor and shall be punished by a fine of not more than one hundred (100) dollars, or by imprisonment for a period of not more than sixty days or by both such fine and imprisonment.

Sec. 14. The county clerk shall keep a book provided for the purpose in which a complete list of the certificates filed for record by him as set forth therein with the date of the record; and said book shall be open to public inspection during his office hours.

Sec. 15. Any person who shall practice, or attempt to practice, or who advertises or holds himself out as practicing any drugless system or mode of treating sick or afflicted human beings in this state, or who shall by a drugless method diagnose, treat, operate for, or prescribe for, any disease, injury, deformity, or other mental or physical condition of a person without having at the time of so doing a valid unrevoked certificate as provided in this act, or who shall in any sign or in any advertisement use the word "Doctor," the letters or prefix "Dr.," or the letters "D. P.," or the words "Drugless Physician," or any other term or letters indicating or implying that he is a doctor under the terms of this act, or that he is entitled to practice hereunder without having at the time of so doing a valid unrevoked certificate as provided in this act shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not more than five hundred (500) dollars, or by imprisonment for a term of not more than one hundred and eighty days, or by both such fine and imprisonment. Upon each such conviction the fine when collected shall be paid to the state treasurer and a report thereof shall be made to the state controller.

Sec. 16. Any person, or any member of any firm, or officer of a corporation, association, organization or company, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by imprisonment for not more than six months, or by a fine of not more than five hundred (500) dollars, or by both such fine and imprisonment, who, individually or as an officer of any corporation, association, organization or company, shall himself sell or barter or offer for sale or barter any certificate authorized to be issued hereunder, or who shall purchase or procure the same either directly or indirectly with intent that the same shall be fraudulently used or who shall with fraudulent intent alter any certificate authorized to be granted hereunder, or who shall use or attempt to use fraudulently any certificate authorized to be granted hereunder, whether the same be genuine or false, or who shall attempt to practice any drugless system or treatment of sick or afflicted human beings under a false or assumed name, or any name other than that prescribed by the board of examiners for drugless physicians of the State of California on its certificate issued to such person authorizing him to administer such treatment, or who shall assume any degree or title not conferred upon him in the manner and by the authority recognized in this act, with intent to represent falsely that he has received such degree or title, or who shall wilfully make any false statement on any application for examination, license or registration under this act, with intent to deceive, or who shall within ten days after demand made by the secretary of the board fail to furnish to said board the name and address of all persons associated with or employed by him or by any company or association with which he is or has been connected at any time within sixty days prior to said notice, together with a sworn statement showing under what license or authority such person or persons or its employee or employees is or are, or have, or have been, practicing a system of treatment of the sick or afflicted; provided, however, that such affidavit shall not be used as evidence against said person or employee in any proceeding under this section.

Sec. 17. Nothing in this act shall be construed to prohibit service in the case of an emergency, or the domestic administration of family treatment; nor shall this act apply to any practitioner from another state or territory who is actually consulting with a licensed practitioner in this state if such practitioner is, at the time of such consultation, a licensed practitioner in the state or territory in which he resides, pre-

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vided, that such practitioner shall not open an office or appoint a place to meet patients or receive calls within the limits of this state; nor shall this act be construed so as to discriminate against any particular system of drugless method or any other treatment, or to regulate, prohibit or apply to any kind of treatment by prayer, or to interfere with the practice of religion in any way.

Sec. 18. Every person licensed to practice under the terms of this act shall have the same rights and privileges granted to other persons now practicing any system of treating sick or afflicted human beings under any of the laws of the State of California; provided, however, that such rights and privileges are consistent with this act.

Sec. 19. Every person licensed to practice under and by virtue of this act shall have the full power and right, and by virtue thereof is authorized, to sign birth and death certificates or any other certificate or other document necessary to the full performance of such person's rights and duties obtained under and by virtue of this act. And it shall be the duty of any officer of any city, county or city and county or other municipal subdivision of the State of California, or the State of California, to recognize and accept such certificate or other document and file and record the same as by law in such cases made and provided.

Sec. 20. Any person who has been engaged in the actual practice of any drugless system or method of treating sick or afflicted human beings, which said drugless system or method is as set forth in and recognized by the terms of this act, within the State of California, for a period of six (6) months prior to the taking effect of this act, shall, upon the payment of the sum of twenty-five (25) dollars, be entitled to register, without taking the examination hereinbefore set forth, as a drugless physician. Upon registering, such person shall be entitled to and receive a certificate as set forth in section eight (8) of this act. And it shall be the duty of the board to issue such certificate upon the filing of the application blank as hereinafter set forth. Provided, however, that such application for registration must be filed with the board within six (6) months from and after the date this act takes effect. Such application shall be made upon a blank to be furnished by the board and shall contain, among other things, the following information:

The name of the applicant; his address; length of time he has lived in the State of California; length of time of his actual practice as a drugless physician within the State of California; nature, character and method of treating the sick or afflicted human beings within the State of California; name of college or school teaching drugless methods from which the applicant graduated. Any applicant failing or refusing to fill out and file such application blank must be refused the right to register and is not eligible to receive the certificate hereinbefore set forth.

Sec. 20a. Any person receiving a certificate under and by virtue of any of the terms of this act is entitled and may be allowed to use the word "Doctor" or the letters or prefix "Dr." before his name or the letters or abbreviation "D. P." or the words "Drugless Physician" after his name or any other letters, words or prefixes signifying that he is entitled to practice under and by virtue of this act. Provided, however, that whenever any such person does use any such words, letters, abbreviations or prefixes as set forth in this section, then and in such event such person must use the words "Drugless Physician" in connection therewith.

Sec. 21. All parts of an act entitled "An act to regulate the examination of applicants for license, and the practice of those licensed, to treat disease, injuries, deformities, or other physical or mental conditions of human beings; to establish a board of medical examiners, to provide for their appointment and prescribe their powers and duties, and to repeal an act entitled 'An act for the regulation of the practice of medicine and surgery, osteopathy, and other systems or modes of treating the sick or afflicted, in the State of California, and for the appointment of a board of medical examiners in the matter of said regulation,' approved March 14, 1907, and acts amendatory thereof, and also to repeal all other acts and parts of acts in conflict with this act. Approved June 2, 1912," where the same are inconsistent or in conflict with this act, are hereby repealed.

Sec. 22. All acts or parts of acts in conflict herewith are hereby repealed.

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ARGUMENT IN FAVOR OF DRUGLESS PRACTICE ACT.

The real object of this proposed act is to secure freedom. In reality and practice it will give every individual within the State of California the right to choose his or her own doctor without any interference by unfair or drastic laws.

Under the present laws of the state if a person desires to be cured of any bodily ailments or afflictions, he is compelled to go to a doctor who uses and practices medicine. Thus one is forced to use a system which might be against his belief.

Suppose, for example, that one wishes to consult a mechano-therapist, or a chiropractic, or a hydro-therapist—under the present law a human being is deprived of this natural and inherent right.

Medicine is not an exact science, and has been changing ever since its discovery and use. Therefore, the popular sentiment among thousands of intelligent men and women against its use is not ill-advised.

The opponents will tell you that under the present laws the people have all the protection they need. With this view we have no argument. The proposed act has nothing to do with the present laws other than to repeal those which are in conflict therewith. All the proposed act has to deal with is the creation of a condition whereby the drugless physician will be legally recognized, and so that he can do, legally, that which he must now either not do at all or be compelled to do illegally.

The opponents will tell you that if this law is passed it will let in a lot of quacks. The voters of this state are too intelligent to be fooled by this sort of time-worn argument. Whenever some of the medical profession want to throw the mantle of defeat over that which is in the interest of all the students of human ills, other than the political doctor and chosen few, they invariably resort to abuse and defamation.

The people must also consider that under present conditions a medical trust has been built up in this state, with the result that men women in the ordinary walks of life are compelled to pay twice and three times as much for medical aid as they would have to do under fair and generous conditions.

We are not appealing to sentiment in this matter. It is not our aim to create any unfounded public opinion. All we ask is fair play and a square deal before the law. It is our God given right to live according to the honest dictates of our own conscience. It is equally the same God given right that any citizen should be allowed to choose the one who shall cure him or her of his or her ills.

A competent examination must be taken before one is allowed to receive a certificate, just as the present laws provide for those physicians who use medicine. Every reasonable safeguard is embodied in the proposed law, thus protecting the people.

In the interest of humanity and the many honest men and women who have spent their hard earned money in receiving a college education to become drugless physicians, we ask that the people vote for this proposed measure.

W. H. JORDAN, D. C.

ARGUMENT AGAINST DRUGLESS PRACTICE ACT.

The primary purpose of medical license laws is to protect the public from incompetent persons who would give the impression that they are skilled doctors.

A four-year high school course as a preliminary education, plus four years of actual professional training, is the minimum which should be demanded by our laws of every person who would hold himself before the public as a competent doctor, no matter of what school. Does any citizen think the above to be too much training for a doctor?

A doctor often holds in his hand the health and lives of his patients, and the economic cess or dependency of the families of his patients. If Doctor "So and So" is educated and trained, then, if he is a conscientious man, he will probably use every remedy and method conducive to the health and recovery of his patients.

On the back of each identification certificate shall be printed the following affidavit:

State of California, } ss.
County of.....

I,, do solemnly swear (or affirm) that I have resided in the State of California more than one year, next preceding this date, and in the.....county of.....more than ninety days, next preceding this date and in the.....voting precinct of the city and county, city, town, district or ward of.....more than thirty days, next preceding this date; that I am in all respects a duly qualified elector of said voting precinct, and a resident thereof; that I am a.....and that because of my duties or occupation or business as such.....I am required to be absent from my voting precinct on this day, and have had and will have no opportunity to vote there; and that I have not voted elsewhere at this election.

Signed
Absent voter.

Subscribed and sworn to before me this.....day of....., 19.....

Judge of election in precinct No.....County of.....State of California.

Sec. 3. When application therefor is made by any registered voter of the county, who is entitled to vote at the ensuing election, the county clerk shall fill in, or cause to be filled in, all of the blanks on the stub and certificate; shall number the same, affix to the certificate the seal of the superior court of the county, and after signing the same, shall issue the certificate to the applicant therefor. Before separating the certificate from the stub, and after affixing the seal to the certificate, the person issuing the certificate shall affix the seal to the stub and certificate in such a manner that a portion of the

impression will appear on each side of the perforated line. The clerk or deputy issuing the certificate shall then remove from the book of ballots, in the order in which the ballots are numbered, one of the ballots to be used at the ensuing election in the precinct of which the applicant is a qualified voter after properly folding same, shall enclose the identification certificate and the ballot in a strong envelope. He shall also enclose in the same envelope with the identification certificate and ballot an unsealed envelope on which shall be printed the name and address of the county clerk of the county from which the certificate and ballot are issued, and the words, "Identification certificate and ballot of absent voter." He shall then securely seal the envelope in which are inclosed the identification certificate, ballot and unsealed envelope with sealing wax. On the face of the envelope the clerk, or deputy shall make the following record:

"Identification certificate and ballot issued to.....
.....a voter of precinct.....
on....., 191.....

(Signature of clerk or deputy)

The name of the person to whom the certificate and ballot shall be issued and the number of the certificate and ballot shall, by the person issuing them, be entered in a precinct register. A register shall be kept for each precinct and only the names and number of certificates and ballots issued to voters of the precinct shall be recorded therein. Each register shall constitute a part of the election supplies for that precinct and shall be sent with the other supplies to the election board of that precinct. The following shall be the form of the precinct register:

PRECINCT.....

The following named registered voters of precinct.....county of.....State of California, were furnished with ballots and identification certificates on the dates set opposite their respective names:

Date.	Name.	Certificate Number.	Ballot Number.
.....
.....
.....

The clerk shall preserve the stubs corresponding to certificates prior to the election at which the certificates may be issued, during such time as the ballots used in said election are preserved, after which time the clerk shall destroy both the stubs and certificates in the manner provided by law for the destruction of ballots.

Sec. 4. Any person to whom an identification certificate and ballot shall have been issued, as herein provided, shall be entitled to vote during any election in any voting precinct more than ten miles distant from the polls of the precinct of which he is a registered voter, on the day of such election, subject to the following regulations. No voter so entitled to vote shall be entitled to vote for any persons except those for whom he would be entitled to vote by voting at the polling place of the precinct of which he is a registered voter.

Sec. 5. The voter so entitled to vote shall present himself at the polls in any voting precinct in the state, more than ten miles distant from the polls in the precinct of which he is a registered voter, during the voting hours, and shall hand the sealed envelope containing the identification certificate and ballot, which shall have been issued to him, to a judge of the election. The judge shall thereupon break the seal of the envelope and remove the certificate and ballot therefrom. The voter must then make and subscribe before one of the judges of the election, the affidavit required to be printed on the back of each identification certificate. If it appear to the reasonable satisfaction of the judges of the election board that the person presenting the identification certificate and subscribing to the affidavit required, is the same person described on the face of the certificate, and to whom the certificate was issued, and if the number of the ballot is the same as the number appearing on the identification certificate after the words, "Number of ballot," provided that before said ballot shall be returned to the voter it shall be carefully examined by said judge who shall not return it to said voter if said ballot has been marked, mutilated or contains any distinguishing marks. If the ballot has not been marked, mutilated and contains no distinguishing marks, the judge shall return the ballot to the voter, who shall thereupon retire to a voting booth and mark and fold the same.

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The voter shall then hand the ballot to a judge of the election, who shall, if the number of the ballot be the same as the number appearing on the identification certificate after words, "Number of ballot," enclose the identification certificate and the ballot and securely seal the same. Immediately after the polls have closed, the judges of the election board shall mail all such envelopes with their contents, postage prepaid, to the county clerks to whom they are addressed.

Sec. 6. At ten o'clock a. m. on the first Monday after each election, the county clerk, the district attorney, the county auditor, and the county treasurer shall meet in the office of the county clerk and proceed, in the presence of any citizens who may be present, to open all envelopes containing identification certificates and ballots and examine the certificates as herein provided. The clerk shall open one envelope at a time and remove therefrom the certificate and ballot. The officers mentioned in this section shall then proceed to compare the certificate with the stub corresponding thereto, for the purpose of determining whether the certificate is the one issued to the person named on the stub and certificate; provided that the ballot shall under no circumstances be unfolded during the proceedings of the officers named in this section. If it appear that the certificate is the one issued to the person named thereon, the clerk shall securely seal the stub and certificate in a blank envelope, and after separating the slip containing the number from the ballot, shall deposit the ballot without unfolding the same, in a box provided solely for ballots cast and received in the manner provided in this act. The number of each ballot shall be immediately destroyed. All blank envelopes containing stubs and certificates shall be enclosed in a large package, which shall be securely sealed and preserved unopened by the county clerk during such time as the ballots are preserved. If on comparison it appears that the certificate does not correspond to any stub of certificates issued, the stub and certificate shall be delivered to the district attorney, who shall be charged with preservation of the same, and whose duty it shall be to once commence an investigation for the purpose of discovering and prosecuting the person who committed the fraud; the ballot shall, with the number remaining attached thereto, be sealed

with other ballots rejected in the same manner, in a package which shall be marked "Rejected ballots of absent voters." The county clerk of the county shall preserve the ballot box which properly authenticated ballots have been deposited, unopened, in his office until the board of supervisors canvass the vote according to law, at which time the ballot box shall be opened by a member of said board of supervisors. The ballots therein contained shall be recorded upon a poll sheet provided for the recording of ballots of absent voters. In canvassing the vote at said election, the board of supervisors shall count the votes of all absent voters taken as herein provided, and shall count the votes so cast as a part of total vote cast for the candidates for whom the votes were cast. After said votes have been counted the ballots shall be securely sealed in a package which shall be marked, "Ballots of absent voters," and shall be disposed of in the manner provided by law for the disposition of other ballots.

Sec. 7. If any person to whom the certificate and ballot herein provided for, shall be present in the voting precinct of which he is a registered voter, on the election day next following the issuance of the certificate and ballot, he shall be entitled to vote in the following manner. A member of the election board shall first examine the register of voters of the precinct to whom certificates and ballots have been issued, and if the name of the voter appear therein, he shall first be required to surrender to the officers of the election board the envelope containing the certificate and ballot. A member of the election board shall then cancel the name of the voter on the register by drawing a line through it and shall also write on the face of the envelope the word "cancelled," and cut or tear the envelope and its contents half way across the middle. The voter shall then receive a ballot and be allowed to vote as in other cases provided by law. The envelope with its contents shall be transmitted to the county clerk, who shall open the same and proceed to destroy the ballot, certificate and the stub corresponding thereto.

Sec. 8. If any person shall wilfully swear falsely to the affidavit herein provided for, he shall upon conviction thereof be deemed guilty of perjury and be punished as in such cases provided by law. If the officers of the election permit any person to vote as herein provided for without his taking said affidavit, or shall neglect or refuse to perform any of the duties prescribed by this act, they shall upon conviction thereof be deemed guilty of a misdemeanor, and shall be punished as in such cases provided by law. If any member of the board of supervisors or any county clerk or district attorney, or other county officer, shall refuse or neglect to perform any of the duties prescribed by this act, or shall reveal or divulge any of the details of any ballot, or certificate herein provided for, he shall upon conviction thereof, be adjudged guilty of a misdemeanor and punished as in such cases provided by law.

Sec. 9. In cities and counties, or counties, in which boards of election commissioners have been created, the duties herein prescribed to be performed by the board of supervisors shall be performed by the boards of election commissioners, and the duties herein prescribed to be performed by the county clerks shall in counties and cities and counties in which the office of registrar of voters has been created, be performed by such registrar of voters.

ARGUMENT IN FAVOR OF VOTING BY ABSENT ELECTORS.

This proposed law, commonly known as the Postal Voting Act, is designed in the interests of a large number of citizens who, by reason of their occupations, are generally called away from home on election day and are thus practically disfranchised. Incidentally, too, there are many others who, by the accidents of life, such as the sickness of an absent relative, are called away from home. The proposed measure would be of particular benefit to commercial travelers, locomotive engineers, trainmen, and railway postal clerks. It is probable that there are thirty thousand or more men in these occupations who now are prevented from voting.

The measure provides machinery through which the votes of such men as have been enumerated above may be cast and counted. The first of its provisions is that any registered voter may apply to the county clerk of the county in which he resides, not less than ten nor more than twenty days prior to a given election, and receive an identification certificate. The certificate contains a description of the man to whom it is given and his signature. It is issued under the seal of the superior court, and together with the ballot is sealed in an envelope. The voter carries this with him wherever his duties require him to go.

Election day having come, the voter may present himself at any polling place in the state and deliver the package containing his certificate and ballot to the officers of the election board. The seal is broken by them and the description contained in the certificate checked with the appearance of the man who presents it. He is also required to swear that he is the same person to whom it was issued and to sign his name to an affidavit. After all steps in the verification have been taken, the ballot is returned to the applicant and he is allowed to stamp the same. The ballot is then returned to the election board, together with the certificate, and is mailed to the county clerk by whom it was issued.

All such ballots are retained by the clerk until the day on which the official canvass of the election is made by the supervisors. At that time, the clerk, the district attorney, and other county officials designated in the measure, meet as a special board and, step by step, in an orderly way as provided, canvass all ballots of this kind received. Should cases of fraud arise, the ballots and certificates are turned over to the district attorney, whose duty it is to conduct an examination for the purpose of placing the responsibility for the fraud, and to prosecute the culprit.

The benefits from such a law are so great that the objections which may arise regarding it are hardly worthy of consideration. The judgment of the engineer, the commercial traveler or the student is quite as valuable to the welfare of the commonwealth as that of any other class of citizens who might be named; and if these men are to retain a healthy interest in the affairs of state, some method must be provided through which they will be allowed and encouraged to participate in the election of officials.

FRED H. HALL.

ERRORS IN TEXT.

Acting under advice from the office of the attorney general, received at the outset of the preparation of this pamphlet, the constitutional amendments and other measures proposed by the legislature, and acts submitted to the referendum, have been reproduced literally as to text, exactly as they appear in the official copies on file in the state archives, even to the reprinting of typographical errors. This course was also followed with the initiative measures. Conspicuous among such errors reprinted are the following, with the pages of this pamphlet upon which they appear:

- Page 5, column 1, section 1a, line 6, "securties" instead of "securities."
- Page 14, column 1, section 8, line 6, "from" instead of "form" or "frame."
- Page 19, column 1, line 5, the word "than" omitted between the words "more" and "sixty."
- Page 23, column 1, section 23, line 4, "interburban" instead of "interurban."
- Page 26, column 1, section 31, repetition of words beginning with word "shall" in line 17 and ending with syllable "tion" in line 22.
- Page 29, column 1, title, line 3, repetition of word "the."
- Page 36, column 1, section 6, line 26, "treasury" instead of "treasurer."
- Page 56, column 2, section 27, line 8, "not" instead of "nor."
- Page 61, column 1, section 12, line 45, "acknowledgd" instead of "acknowledged."
- Page 62, column 2, section 45, line 19, "effect" instead of "affect."

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MANNER IN WHICH QUESTIONS, PROPOSITIONS, PROPOSED LAWS AND CONSTITUTIONAL AMENDMENTS WILL BE DESIGNATED ON THE BALLOT.

CALLING CONVENTION FOR REVISION OF CONSTITUTION. Assembly Concurrent Resolution 17. Recommends that electors vote for or against a convention for revising the constitution; provides that if majority vote in favor thereof, the legislature shall at next session provide for election of delegates to such convention and the holding thereof at state capitol within three months from date of election calling the same, and that it shall continue in session until it has completed the work of revision and provided for submission thereof to electors.		YES	
1		NO	
PROHIBITION. Initiative amendment adding sections 26 and 27 to article I of constitution. Prohibits the manufacture, sale, gift, or transportation wholly within the state, of intoxicating liquor; permits any citizen to enjoin violations; makes the showing that the manufacture, use, sale, gift or transportation was for medicinal, scientific, mechanical or sacramental purposes, a defense to civil and criminal actions, and requires regulation by law of such acts for said purposes; prohibits transportation into this state of intoxicating liquor, unless shown to be for such purposes, subject, however, to United States laws; prescribes and authorizes penalties.		YES	
2		NO	
EIGHT HOUR LAW. Initiative act adding section 393½ to the Penal Code. Declares it a misdemeanor, punishable by fine or imprisonment in county jail or both, for any employer to require or permit, or to suffer or permit his overseer, superintendent, foreman or other agent to require or permit, any person in his employ to work more than eight hours in one day, or more than forty-eight hours in one week, except in case of extraordinary emergency caused by fire, flood, or danger to life or property.		YES	
3		NO	
ABATEMENT OF NUISANCES. Act submitted to electors by referendum. Declares nuisance any building or place where acts of lewdness, assignation or prostitution occur, and general reputation admissible to prove existence of nuisance; prescribes procedure for abatement thereof; requires removal and sale of fixtures and movable property used in aid thereof, closing premises to any use for one year unless court releases same upon bond of owner; prescribes fees therefor, making same and all costs payable from proceeds of such sale, requiring sale of premises to satisfy any deficiency; makes fines lien upon interest in premises.		YES	
4		NO	
INVESTMENT COMPANIES ACT. Submitted to electors by referendum. Creates state corporation department. Authorizes governor to appoint commissioner of corporations who shall employ necessary deputies, fix their compensation, have control over investment companies and investment brokers and power of examination thereof as in state banks; prohibits issuance of securities before investigation by commissioner, regulates issuance and sale thereof, taking subscriptions therefor, advertisements and circulars respecting same; creates fund from official fees and declares salaries and expenses payable therefrom; provides for broker's permit and agent's certificate, reports by companies and brokers, appeal to court from commissioner's decision, and penalties for violations.		YES	
5		NO	
WATER COMMISSION ACT. Submitted to electors by referendum. Creates state water commission for control of appropriation and use of waters; defines rights in riparian and unappropriated waters; prescribes procedure for investigation of waters and water rights, apportionment of same between claimants, issuance of licenses, and revocation thereof; declares present rights of municipal corporations unaffected.		YES	
6		NO	
LOCAL TAXATION EXEMPTION. Assembly Constitutional Amendment 7 adding section 8½ to article XIII of constitution. Authorizes any county or municipality to exempt from taxation for local purposes in whole or in part, any one or more of following classes of property; improvements in, on, or over land; shipping; household furniture; live stock; merchandise; machinery; tools; farming implements; vehicles; other personal property except franchises; provides that ordinance or resolution making such exemptions shall be subject to referendum; and requires that taxes upon property not exempt from taxation shall be uniform.		YES	
7		NO	
EXEMPTING VESSELS FROM TAXATION. Senate Constitutional Amendment 17 adding section 4 to article XIII of constitution. Exempts from taxation until and including January 1, 1935, except for state purposes, all vessels over 50 tons burden, registered at any port in this state and engaged in transportation of freight or passengers.		YES	
8		NO	
REGULATING INVESTMENT COMPANIES. Initiative act authorizing governor to appoint auditor of investments empowered to employ deputies and fix their compensation, defining investment companies, authorizing examination thereof by auditor and judicial investigation of their practices, defining securities and prohibiting sale thereof to public, or taking subscriptions therefor, by such companies before filing with auditor their financial statement and description of security, excepting from act certain companies and individuals, securities thereof and certain installment securities, regulating advertisements and circulars regarding securities, creating fund from official fees for salaries and expenses under act; repeals all laws on subject adopted heretofore or concurrently herewith.		YES	
9		NO	
ABOLITION OF POLL TAX. Initiative amendment to section 12 of article XIII of the constitution. Provides that no poll or head tax for any purpose shall be levied or collected in this state.		YES	
10		NO	
UNIVERSITY OF CALIFORNIA BUILDING BOND ACT. Initiative measure providing for the issuance and sale of state bonds in the sum of \$1,300,000 to create a fund for the completion and construction of buildings on the grounds of the University of California in the city of Berkeley, said bonds to bear interest at four and one half per cent and to mature at different periods until January 5, 1965.		YES	
11		NO	

12	<p>CONSTITUTIONAL CONVENTIONS. Assembly Constitutional Amendment 83 amending section 2 of article XVIII of constitution. Present section unchanged except in following particulars: provides that delegates to constitutional conventions shall be nominated at non-partisan primary election as prescribed by legislature, those receiving majority vote thereof being elected, otherwise two highest candidates (or more if tied) being only candidates at further election; authorizes legislature to submit for adoption by electors other plans for selecting delegates; provides that convention shall meet within nine months after election, and may submit new constitution or amendments or revisions of that existing, as alternative propositions or otherwise.</p>	YES	
		NO	
13	<p>QUALIFICATION OF VOTERS AT BOND ELECTIONS. Initiative amendment adding section 7 to article II of constitution. Provides that no elector may vote on question of incurring bonded indebtedness of state or political subdivision thereof, unless he is owner of property taxable for payment of such indebtedness and assessed to him on last assessment roll.</p>	YES	
		NO	
14	<p>VOTING BY ABSENT ELECTORS. Initiative act providing for issuance of certificate of identification and ballot to voters who will be absent from home precincts on election day; provides that upon presentation by elector of such certificate and ballot in sealed envelope to judge of election on election day at polls in any precinct more than ten miles from polls where registered, such elector may mark said ballot in secret, judge to mail same to county clerk where voter registered; prescribes form of certificate and canvass of ballots; authorizes elector to vote at home precinct upon surrender of certificate and ballot.</p>	YES	
		NO	
15	<p>DEPOSIT OF PUBLIC MONEYS. Initiative amendment to section 16½ of article XI of constitution. Present section unchanged except in following particulars: Authorizes banks in which public moneys are deposited to furnish, as security, bonds of districts within municipalities, or of a corporation qualified to act as sole surety on bonds or undertakings, to an amount in value, or with a penalty, of at least ten per cent over amount of deposit; provides that no deposit under section shall exceed at any time fifty per cent of paid up capital and surplus of depository bank.</p>	YES	
		NO	
16	<p>CONDEMNATION FOR PUBLIC PURPOSES. Senate Constitutional Amendment 16 adding section 20 to article XI of constitution. Authorizes state, county or municipality to condemn neighboring property within its limits additional to that actually intended for proposed improvement; declares same taken for public use; defines estate therein and manner of dealing therewith to further such improvement; permits county or municipality to condemn lands within ten miles beyond its boundaries for certain public purposes, with consent of other county or municipality if such lands lie therein; requires terms of condemnation, lease or disposal of such additional property to be prescribed by law.</p>	YES	
		NO	
17	<p>EXPOSITION CONTRIBUTION BY ALAMEDA COUNTY. Senate Constitutional Amendment 34 amending section 18 of article XI of constitution. Present section unchanged but proviso added authorizing Alameda county, at election therefor, to incur bonded indebtedness not exceeding \$1,000,000, bearing interest not exceeding five per cent, bonds redeemable within forty years and salable at not less than par, proceeds payable on terms fixed by supervisors to Panama-Pacific International Exposition Company for exposition in San Francisco; authorizing special tax upon all taxable property in Alameda county to pay interest and create sinking fund for payment of said bonds.</p>	YES	
		NO	
18	<p>NON-SALE OF GAME. Act amending Penal Code section 626k, submitted to electors by referendum. Declares the buying, selling, shipping, offering or exposing for sale, trade or shipment, of any wild game, bird, or animal (except rabbits and wild geese), protected by law and mentioned in part 1, title XV, chapter 1 of Penal Code, or the dead body of the same, or any part thereof, a misdemeanor; prescribes punishment therefor; and declares section does not prohibit sale of wild duck from November 1st to December 1st of same year.</p>	YES	
		NO	
19	<p>CONSOLIDATION OF CITY AND COUNTY, AND LIMITED ANNEXATION OF CONTIGUOUS TERRITORY. Initiative amendment to section 8¼ of article XI of constitution. Present section unchanged except to authorize chartered cities to establish municipal courts, and control appointments, qualifications and tenure of municipal officers and employees; authorizes cities exceeding 50,000 population to consolidate and annex only contiguous territory included within county from which annexing territory was formed on consolidation, or concurrently or subsequently added to territory excluded from original consolidated territory; requires consent of annexed territory and of county from which taken; prescribes procedure for consolidation and annexation.</p>	YES	
		NO	
20	<p>PRIZE FIGHTS. Initiative act amending Penal Code. Prohibits the engaging in or furthering in any way prize fights or remunerative boxing exhibitions, training therefor, or betting thereon; the conducting, participating in or witnessing any boxing exhibitions on Memorial Day or Sunday; authorizes regulated four-round amateur boxing exhibitions unless prohibited by ordinance; provides for arrest of persons about to promote or participate in prohibited contests and requires bond against committing offense; declares self-incrimination no disqualification of witness; prohibits his prosecution for offense disclosed; authorizes conviction upon accomplice's uncorroborated testimony; prescribes penalties.</p>	YES	
		NO	
21	<p>CITY AND COUNTY CONSOLIDATION, AND ANNEXATION WITH CONSENT OF ANNEXED TERRITORY. Initiative amendment to section 8¼ of article XI of constitution. Present section unchanged except to authorize chartered cities to establish municipal courts and control appointments, qualifications and tenure of municipal officers and employees; authorizes cities exceeding 175,000 population to consolidate under charter and to annex any contiguous territory, but only upon consent of such territory and of county from which such territory is taken; prescribes procedure for consolidation and annexation.</p>	YES	
		NO	

22	<p>LAND TITLE LAW. Initiative act amending act for certification of land titles. Constitutes county recorders registrars of title; prescribes procedure for obtaining decree establishing title and ordering registration; provides for issuance of certificates of title, method of effecting transfers, notation of liens, encumbrances and charges, correction of register and certificates, protection of bona fide purchasers, registration fees, and penalties for fraud and forgeries; regulates transactions respecting registered land; creates from certain fees, paid on original registration, title assurance fund held by state treasurer to indemnify persons for loss of any interest in land through operation of act.</p>	YES	
		NO	
23	<p>ELECTIONS BY PLURALITY, PREFERENTIAL VOTE AND PRIMARY. Assembly Constitutional Amendment 19 amending section 13 of article XX of constitution. Declares plurality of votes at any primary or election constitutes choice unless constitution otherwise provides; permits charters framed under constitution for counties or municipalities and general laws for other counties and municipalities to provide otherwise, or for nomination or election, or both, of all or any portion of candidates at a primary, or for preferential system of voting at any county or municipal primary or other election; authorizes general laws providing preferential system of voting at any other primary.</p>	YES	
		NO	
24	<p>ASSEMBLY PAY ROLL EXPENSES. Assembly Constitutional Amendment 23 amending section 23a of article IV of constitution. Increases the amount allowed for the total expense for officers, employees and attaches of assembly at any regular or biennial session of legislature from present amount of five hundred dollars per day to six hundred dollars per day; makes no other change in operation of present section.</p>	YES	
		NO	
25	<p>ADOPTION AND AMENDMENT OF MUNICIPAL CHARTERS. Assembly Constitutional Amendment 25 amending section 8 of article XI of constitution. Authorizes cities of more than thirty-five hundred population to adopt charters; prescribes method therefor, and time for preparation thereof by freeholders; requires but one publication thereof, copies furnished upon application; provides for approval by legislature, method and time for amendment, and that of several conflicting concurrent amendments one receiving highest vote shall prevail; authorizes charter to confer on municipality all powers over municipal affairs, to establish boroughs and confer thereon general and special municipal powers.</p>	YES	
		NO	
26	<p>LEGISLATIVE CONTROL OF IRRIGATION, RECLAMATION AND DRAINAGE DISTRICTS. Assembly Constitutional Amendment 47 amending section 13 of article XI of constitution. Present section unchanged but proviso added authorizing legislature to provide for supervision, regulation and conduct, in such manner as it may determine, of affairs of irrigation, reclamation or drainage districts, organized or existing under laws of this state.</p>	YES	
		NO	
27	<p>COUNTY CHARTERS. Assembly Constitutional Amendment 60 amending section 7 1/4 of article XI of constitution. Present section unchanged except in following particulars: Authorizes county charter framed thereunder to relate to any matters authorized by constitution, and adds paragraph 4 1/2 authorizing such charter to provide for discharge by county officers of certain municipal functions of any municipality within said county incorporated under general laws which so authorize, or of any municipality therein whose charter framed under section 8 of article XI so authorizes.</p>	YES	
		NO	
28	<p>REGULATION OF PUBLIC UTILITIES. Assembly Constitutional Amendment 62 amending section 23 of article XII of constitution. Present section unchanged except in following particulars: Railroad commission given exclusive power to fix public utility rates in all incorporated municipalities; such municipalities, by vote of electors thereof, may retain that control over public utilities which relates to local, police, sanitary, and other regulations only, or surrender same to railroad commission; omits provision authorizing such municipalities to reinvest themselves with powers so surrendered; declares right of incorporated municipalities to grant public utility franchises not affected by section.</p>	YES	
		NO	
29	<p>INCORPORATION OF MUNICIPALITIES. Assembly Constitutional Amendment 81 amending section 6 of article XI of constitution. Present section unchanged except in following particulars: Legislature may provide that county officers shall perform municipal functions of municipalities incorporated under general laws when electors thereof so determine; municipalities hereafter organized under charters, and those heretofore so organized, when empowered by charter amendment, may legislate respecting municipal affairs, subject only to charter restrictions; in other matters they are subject to general laws; municipal charters may require county officers to perform municipal functions whenever general laws or county charter authorize such performance.</p>	YES	
		NO	
30	<p>IRRIGATION DISTRICTS CONTROLLING INTERNATIONAL WATER SYSTEMS. Assembly Constitutional Amendment 84 amending section 31 of article IV. Present section unchanged, but proviso added authorizing irrigation districts, for purpose of acquiring control of any entire international water system situated partly in United States and partly in foreign country, and necessary for its use and purposes, to acquire, in manner authorized by law, the stock of any foreign corporation which owns or holds title to the part thereof situated in a foreign country.</p>	YES	
		NO	
31	<p>VALUATION OF CONDEMNED PUBLIC UTILITIES BY RAILROAD COMMISSION. Assembly Constitutional Amendment 87 adding section 23a to article XII of constitution. Authorizes railroad commission to exercise such power as shall be conferred upon it by legislature to fix compensation paid for property of public utility condemned by state, county, municipality or municipal water district; declares right of legislature to confer such powers upon railroad commission to be plenary and unlimited by any constitutional provision; and confirms all acts of legislature in accordance herewith heretofore adopted.</p>	YES	
		NO	

	ELECTION OF UNITED STATES SENATORS. Assembly Constitutional Amendment 92 amending section 20 of article V of constitution. Eliminates provisions of present section prohibiting governor from being elected United States senator during his term of office, and instead provides that such senators shall be elected by the people of the state in the manner provided by law.	YES	
		NO	
33	PUBLIC UTILITIES IN MUNICIPALITIES. Senate Constitutional Amendment 53 amending section 19 of article XI of constitution. Authorizes any municipal corporation to acquire and operate public utilities; to grant franchises to operate same under regulations prescribed by its organic law or otherwise by law; but eliminates from present section provisions authorizing municipal government to regulate charges for services under such franchises; and authorizes municipal corporation to furnish the product or service of public utility operated by it to users beyond its limits, to other municipalities, and to inhabitants thereof without consent of such municipalities.	YES	
		NO	
34	TAXATION OF PUBLIC PROPERTY. Assembly Constitutional Amendment 6 amending section 1 of article XIII of constitution. Present section unchanged but proviso added declaring taxable all lands and improvements thereon owned beyond its limits by a county or municipal corporation, if taxable at the time acquired by it; exempting improvements constructed by such owner upon any of its lands; and declaring all such taxable property assessable by assessor of county or municipal corporation where situated, subject to review and adjustment by state board of equalization.	YES	
		NO	
35	SACRAMENTO STATE BUILDING BONDS. FOR THE STATE'S BUILDINGS BONDS. This act provides for the issuance and sale of state bonds in the sum of \$3,000,000 for additional state buildings in Sacramento, payable in fifty years, and bearing interest at four per cent.		
	AGAINST THE STATE BUILDINGS BONDS.		
	FOR THE SAN FRANCISCO STATE BUILDING ACT. This act provides for the issuance and sale of state bonds to create a fund for the construction, erection, equipment, completion and furnishing of a state building or buildings upon a lot of land in the city and county of San Francisco, to be used by the officers and departments of the state which are located in said city and county of San Francisco.		
	AGAINST THE SAN FRANCISCO STATE BUILDING ACT. This act provides for the issuance and sale of state bonds to create a fund for the construction, erection, equipment, completion and furnishing of a state building or buildings upon a lot of land in the city and county of San Francisco, to be used by the officers and departments of the state which are located in said city and county of San Francisco.		
37	FOR THE STATE FAIR GROUNDS BONDS. This act provides for the issuance and sale of state bonds in the sum of \$750,000 for improvement of the state fair grounds at Sacramento, payable in fifty years, and bearing interest at four per cent.		
38	LOS ANGELES STATE BUILDING BONDS. Initiative act providing for the issuance and sale of state bonds in the sum of \$1,250,000 to create a fund for the acquisition of a site in the city of Los Angeles, for the construction thereon of a state building and for equipment thereof to be used by the officers and departments of the state maintaining offices in said city, said bonds to bear interest at four per cent and to mature at different periods until July 2, 1965.	YES	
		NO	
39	SUSPENSION OF PROHIBITION AMENDMENT. Initiative amendment adding section 26a to article I of constitution. Provides that if proposed amendment adding sections 26 and 27 to article I of constitution relating to manufacture, sale, gift, use and transportation of intoxicating liquors be adopted, the force and effect of section 26 shall be suspended until February 15, 1915, and that, as to the manufacture and transportation for delivery at points outside of state only, it shall be suspended until January 1, 1916, at which time section 26 shall have full force and effect.	YES	
		NO	
40	EXTRA SESSIONS OF DISTRICT COURTS OF APPEAL. Assembly Constitutional Amendment 32 adding section 4a to article VI of constitution. Authorizes governor to call extra sessions of district courts of appeal; requires such call when requested by chief justice of supreme court or presiding justice of district court of appeal; provides that governor, chief justice and presiding justice shall each select one of the three judges of such sessions from judges of any district court of appeal or superior court who shall serve without further compensation; provides for assignment of causes thereto, jurisdiction thereof, and termination of such sessions.	YES	
		NO	
	MISCARRIAGE OF JUSTICE. Senate Constitutional Amendment 12 amending section 4 1/2 of article VI of constitution. Omits from present section word "criminal," hereby providing that no judgment shall be set aside or new trial granted in any case, civil or criminal, for misdirection of jury or improper admission or rejection of evidence, or for any error as to any matter of pleading or procedure, unless after examination of entire cause, including the evidence, court is of opinion that error complained of resulted in miscarriage of justice.	YES	
		NO	

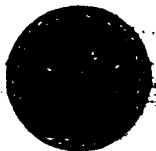
42	PLACE OF PAYMENT OF BONDS AND INTEREST. Senate Constitutional Amendment 13 amending section 13 1/4 of article XI of constitution. Authorizes any county, municipality, irrigation district or other public corporation, issuing bonds under the laws of the state, to make same and interest thereon payable at any place or places within or outside of United States, and in domestic or foreign money, designated therein.	YES	
		NO	
43	EXEMPTING EDUCATIONAL INSTITUTIONS FROM TAXATION. Senate Constitutional Amendment 15 adding section 1a to article XIII of constitution. Exempts from taxation buildings, grounds within which same are located not exceeding one hundred acres, equipment, securities and income used exclusively for educational purposes, of any educational institution of collegiate grade within this state not conducted for profit.	YES	
		NO	
44	MINIMUM WAGE. Assembly Constitutional Amendment 90 adding section 17 1/4 to article XX of constitution. Authorizes legislature to provide for establishment of minimum wage for women and minors, and for comfort, health, safety and general welfare of any and all employees; declares that no constitutional provision shall be construed as limiting authority of legislature to confer upon any commission now or hereafter created such power as legislature deems requisite to accomplish provisions of this section.	YES	
		NO	
45	ONE DAY OF REST IN SEVEN. Initiative act prohibiting, except in cases of urgent emergency, the working for wages, or requiring or employing any person to work, more than six days or forty-eight hours a week, the keeping open or operating certain places of business or selling property on Sunday; declares Sunday provisions of act inapplicable to works of necessity, or to member of religious society which observes another day as day of worship and who on such day keeps his place of business closed and does not work for gain; declares violation of act misdemeanor and prescribes penalties.	YES	
		NO	
46	DRUGLESS PRACTICE. Initiative act creating state board for drugless physicians, with office in Oakland, creating fund from fees for members' and employees' salaries and expenses, regulating examinations and issuance of certificates. Authorizes holders thereof to treat all physical or mental ailments of human beings without drugs or medicine, use "Doctor," "Dr." or "D. P." in connection with "Drugless Physician," and sign birth and death certificates. Exempts from examination any person practicing any drugless system for six months prior to effective date of act. Prescribes penalties for violations of act; and repeals all inconsistent provisions of medical act.	YES	
		NO	
47	PROHIBITION ELECTIONS. Initiative amendment adding section 1 1/4 to article IV of constitution. Prohibits, for eight years after this election, state election on question of prohibiting or permitting transportation of intoxicating liquors and any election on question of prohibiting or permitting the manufacture or sale thereof; prohibits state election or election under local option law or charter upon latter question within eight years of like election thereon; declares majority vote in each municipality or district at this election upon prohibition amendment to article I of constitution, and at any statewide prohibition election hereafter, makes same license or non-license territory.	YES	
		NO	
48	FOR THE SAN FRANCISCO HARBOR IMPROVEMENT ACT OF 1913. This act provides for the improvement of San Francisco harbor and for the payment of all costs thereof out of San Francisco harbor improvement fund. AGAINST THE SAN FRANCISCO HARBOR IMPROVEMENT ACT OF 1913. This act provides for the improvement of San Francisco harbor and for the payment of all costs thereof out of the San Francisco harbor improvement fund.		

CERTIFICATE OF SECRETARY OF STATE.

STATE OF CALIFORNIA, DEPARTMENT OF STATE
SACRAMENTO, CALIFORNIA.

I, Frank C. Jordan, Secretary of State of the State of California, do hereby certify that the foregoing forty-eight measures will be submitted to the electors of the State of California at the general election to be held throughout the State on the third day of November, 1914.

Witness my hand and the great seal of State, at office in Sacramento, California, the twenty-fifth day of September, A. D. 1914.



Frank C. Jordan
Secretary of State

FRIEND WM. RICHARDSON,
Super. State Printing.